



Daily Report

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General

Envoy Says Missiles to Pakistan To Continue

BK0703092892 Islamabad THE NEWS
in English 7 Mar 92 p 1

[Text] Islamabad—Chinese ambassador to Pakistan has said China will not abide by international agreements banning supply of missiles to other countries unless the United States withdraws the decision to stop imports of satellites, spares and high speed computers to China.

In a written statement, the ambassador told that the United States suspended supplies of satellites and spare parts and reduced the shipment of high speed computers to China in June 1991. Without withdrawal of these three sanctions, China will not accept any US condition regarding supply of missiles and missile technology to other countries.

48th UN Commission on Human Rights Session Ends

No Action on Tibet Resolution

OW0703040892 Beijing XINHUA in English
0317 GMT 7 Mar 92

[Text] Geneva, March 6 (XINHUA)—The six-week-long 48th session of the United Nations Commission on Human Rights closed here today after achieving what its Chairman Pal Solt described as "positive" outcome.

It was the first session since the commission increased its membership from 43 to 53.

More than 280 delegations from the commission's member-states, non-governmental organizations and U.N. specialized agencies attended the annual session.

The session, which attracted world attention, approved 82 resolutions on human rights issues in Africa, Asia, Latin America, North America and Europe.

Leading political figures addressing the session included Swiss Federal President Rene Felber, U.S. Vice President Dan Quayle and the Palestine Liberation Organization Chairman Yasir Arafat.

Two days ago, the session approved a resolution by 27 to 15 with 11 abstentions which decided not to take action on the draft resolution of "the situation in China and Tibet" proposed by some Western countries.

Li Peng Comments on Tibet Issue

OW0603140592 Beijing XINHUA Domestic Service
in Chinese 1227 GMT 6 Mar 92

[By reporter Yang Guoqiang (2799 0948 1730)]

[Text] Beijing, 6 March (XINHUA)—Premier of the State Council Li Peng met with 11 countries' outgoing and incoming ambassadors to China this afternoon at

Zhongnanhai's Ziguangge Pavilion, and briefed them on China's internal situation and its foreign policy.

These ambassadors are: Outgoing Uruguayan Ambassador G.V. Gamez, outgoing Russian Ambassador N.N. Soloviev; incoming Cote d'Ivoire Ambassador Anet-N'zi Nanan Koliabo; incoming Venezuelan Ambassador Luis Eduardo Soto Alvarez; incoming Ugandan Ambassador Frederick Alex Obecho; incoming Jordanian Ambassador Samih al-Faraj; incoming Secretary of Libyan People's Office in China Miftah Uthman Madi; incoming Mali Ambassador Theophile K. Sangare; incoming Marshall Islands Ambassador Lawrence Edwards; incoming Rwandan Ambassador Isidore Jean Baptiste Rukira; and incoming Chadian Ambassador Helena Tchiouna.

During the meeting, Li Peng pointed out that at the 48th meeting of the United Nations Human Rights Committee held recently, many developing countries adhered to principles and upheld justice by resisting and opposing the resolution which attempted to make use of the so-called China's Tibet issue to interfere in China's internal politics and to undermine China's sovereignty. He said: We express our thanks to these countries for their support.

Li Peng continued: Like the vast number of the Third World countries, China also attaches importance to human rights and is willing to carry out discussions on human rights issues on an equal basis; however, we oppose the use of human rights as an excuse to interfere in another country's internal politics. This is a common stance of the vast number of developing countries.

Envoy Calls on UN To Set Environmental Agenda

Environment, Development 'Inseparable'

OW0603193392 Beijing XINHUA in English
1911 GMT 6 Mar 92

[Text] United Nations, March 6 (XINHUA)—China called here today for more efforts in dealing with environment protection and economic development, especially the international economic environment that has hindered sustained economic growth of the developing countries.

Speaking at the Fourth Session of the Preparatory Committee (Precom 4) of the U.N. Conference on Environment and Development (UNCED), Liu Huaqiu, Chinese delegation head to Precom 4, noted that the close relationship between environment and development, which are inseparable, should always be borne in mind.

"The conference (UNCED) should discuss not only environmental issues, but also related developmental issues, especially the international economic environment which has hindered sustained economic growth of the developing countries," Liu stressed.

Many developing countries, still in the initial stage of economic development, are confronted with the immense task of meeting their people's needs, Liu said, adding that "for these countries, underdevelopment is one of the important causes for their worsening environment. For some it is even the most fundamental cause."

Liu, who is also vice-minister of foreign affairs, said underdeveloped countries are not in a position to protect their environment without steady economic development. In this sense, economic development is the prerequisite for environmental protection.

However, the Chinese delegation head noted that developing countries, while choosing their road to development, should draw lessons from the process of industrialization in the past and keep to the path of sustainable development.

Suggesting the Precom review the principles and purposes of the conference, Liu said "one should look at the question of financial resources and technology transfer from a high plane of common interests of mankind." It is mistaken to regard it as a "favour" granted by one side alone. Developed countries, in helping developing countries participate more effectively in international environmental protection, will not only contribute to the common interests of the entire mankind, but also make a kind of "investment" in their own interests, Liu added.

China maintains that all international legal instruments on environmental protection should have provisions for adequate, new and additional financial resources, Liu pointed out, while expressed his hope to see positive response to the statement on this matter made by the Group of 77 and China Wednesday.

As to who should take the main responsibility for the worsening global ecological environment in the past and at present, Liu said there exists a broad consensus, therefore in terms of undertaking obligations, the principle of common but differentiated responsibility should be followed and the present level of economic development and capability of the developing countries should be taken into full consideration.

"No yardstick should be applied across the board. This principle should also be reflected in Agenda 21," Liu said.

While calling for sufficient attention for those environmental problems which are mainly encountered by developing countries, Liu said that China proposes to set up "a special fund" to finance the environmental protection efforts of the developing countries and help them attain sustainable development, for problems such as desertification, flood and drought mainly affecting the developing countries are "global environmental problems."

Liu emphasized that each country has the right to choose an optimum course for its economic development in coordination with environmental protection in the light

of its actual situation and has the right to rationally exploit and utilize its own natural resources."

"These rights must be respected," Liu went on, "any attempt to impose a certain political and economic development model or various unreasonable conditions on others in the process for exploring international cooperation in environmental protection is undesirable and will fundamentally weaken the basis of cooperation."

The Chinese delegation hopes that the aforementioned crucial principles will find expression in the Rio Declaration, Agenda 21 and other documents, Liu noted.

Precom 4, which began Monday, will mainly discuss and prepare Agenda 21 and the Rio Declaration, two main documents to be submitted to the Rio de Janeiro Earth summit in June.

Further on Envoy Comments

OW0603225792 Beijing XINHUA in English
2231 GMT 6 Mar 92

[Text] United Nations, March 6 (XINHUA)—A Chinese official said here today that China placed much hope on the U.N. Conference on Environment and Development (UNCED) and expected it to become a milestone in the global cooperation in development and environmental protection.

Liu Huaqiu, head of the Chinese delegation to the fourth session of the preparatory committee (Precom 4), noted at today's meeting that despite the progress achieved, various parties are required to make greater efforts since there is still much work to be done at the present session, such as the lack of progress on substantive issues of financial resources and transfer of technology.

Liu, who is also vice-foreign minister, said the UNCED to be held in Brazil in June this year is of significant importance in the history of the United Nations. It is another important conference on world environment after the U.N. Conference on Human Environment in 1972, he added.

As he said the 1992 conference, which will discuss not only environmental issues, but also related developmental issues, will signify a more profound understanding by the international community of the environmental issues.

The conference, to be held in a member of the developing world and attended by heads of governments, signifies the recognition of the strenuous efforts exerted by developing countries in these fields and the great role they will certainly play in the future, Liu said.

"China has attached great importance to the protection of environment in the process of its economic development. Having made it a basic state policy, it has incorporated it into the process of formulating and implementing its economic plans," the vice foreign minister told the session.

While pledging to do a good job at home in environmental protection and make due contribution to the global efforts in this aspect, Liu noted that the ministerial conference of developing countries on environment and development held in China last June and the Beijing Declaration issued at the meeting is an important contribution made by developing countries to the UNCED.

Liu stressed that international cooperation in economic development and environment protection "should be incorporated into the effort for the establishment of a just and equitable new international order based on equality and mutual benefit."

Such a new order, Liu said, should be based on the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit and peaceful coexistence. It should take care of the interests of countries under different natural conditions and at different levels of development.

Liu believed that the Rio conference will represent an "unprecedented and major effort by mankind to save the earth and achieve sustainable development and that through the efforts by all the parties, a beautiful and healthy earth will be left to future generation of mankind."

UN Chief Comments on Sino-UN Ties

OW0703032592 Beijing XINHUA in English
0304 GMT 7 Mar 92

[Text] United Nations, March 6 (XINHUA)—U.N. Secretary-General Butros Butros-Ghali said here today that he treasures the friendly relations of cooperation between the United Nations and China.

He said that this is not only because China is a permanent member of the Security Council but also because it is one of the most important developing countries.

Butros-Ghali made these remarks when he met with Liu Huaqiu, Chinese vice foreign minister and head of the Chinese delegation to the current fourth session of the preparatory committee of the U.N. Conference on Environment and Development, which opened earlier this week.

He expressed his gratitude to Chinese Premier Li Peng for his attendance to the summit meeting of the Security Council convened on January 31. "The meeting was very successful and contributed greatly to world peace and security and to the promotion of economic development and international cooperation," he added.

He said that he was looking forward to his planned China visit, during which he would have an extensive exchange of views with Chinese leaders on international situation and on how to strengthen the roles of the United Nations.

Liu Huaqiu said that Dr. Butros-Ghali took the office of the U.N. secretary-general at a time when great and profound changes had taken place in international relations, and the world community placed high hopes on the secretary-general.

He believed that Dr. Butros-Ghali would make positive contribution to the lofty cause of peace and development in today's world, Liu said.

Also present on the occasion was Li Daoyu, Chinese permanent representative to the United Nations.

Premier Li Peng Meets World Bank Vice President

OW0903131592 Beijing XINHUA in English
1241 GMT 9 Mar 92

[Text] Beijing, March 9 (XINHUA)—Chinese Premier Li Peng today expressed the hope that the good relationship between China and the World Bank will continue.

China and the World Bank have enjoyed good relations and the Chinese Government appreciates the bank's support of China's construction, Li said during a meeting with visiting Vice-President for East Asia and Pacific Regional Offices of the World Bank Gautam Kaji and his party here today.

He noted that China's projects supported by the World Bank have been going well. The World Bank has been careful in its feasibility studies on Chinese projects and its loans to China have been provided in timely fashion, he said.

On request, Li briefed the visitors on China's reform and opening to the outside world.

He said many effective policies and measures on China's rural and urban reforms should not only continue to be carried out, but also be further developed.

On China's political restructuring, Li stressed that China will continue to reform the government apparatus so as to meet the needs of reform and opening to the outside world.

Li said that it remains one of China's important policies to use foreign funds, adding that in its cooperation with the World Bank and other countries, China keeps good credit and will do its best to make more effective use of foreign funds.

Kaji agreed with Li's appraisal of the cooperation between China and the World Bank.

He said his discussions with the Chinese side and reports by the press enable him to feel that China is speeding up its economic construction and reform and opening.

He said the bank's policy of maintaining good cooperation with China will remain unchanged. He said he and his delegation understand and appreciate China's present policies.

International Women's Day Gathering in Beijing

Wu Xueqian, Diplomats Attend Reception

OW0603130192 Beijing XINHUA Domestic Service
in Chinese 1007 GMT 6 Mar 92

[By RENMIN RIBAO reporter Fu Xu (0265 2485) and XINHUA reporter Hu Xiaomeng (5170 2556 1125)]

[Text] Beijing, 6 Mar (XINHUA)—Nearly 2,000 Chinese and foreign women happily gathered at the Great Hall of the People this afternoon to celebrate their common festival, the International Working Women's Day, which falls on 8 March.

Leading comrades Wu Xueqian, Ding Guangen, and Qian Zhengying attended the reception.

Chen Muhua, president of the All-China Women's Federation, spoke at the reception, extending greetings from the Chinese Government and the All-Women's Federation to women of all nationalities and in various circles in China, as well as to women compatriots in Hong Kong, Macao, Taiwan and overseas, and sisters in other countries.

Chen Muhua said: Last year was the first year of implementing China's 10-Year Program and Eighth Five-Year Plan for national economic and social development; it was also a year of continuing our advance along the road of building socialism with Chinese characteristics. The people throughout the country, rallying around the party Central Committee with Comrade Jiang Zemin as the nucleus, steadfastly implemented the party's basic line of "one center, two basic points" in all fields, and worked hard and concertedly in scoring fresh achievements in reform, opening up, and the modernization construction.

Chen Muhua said: In the past year, progress has also been made in work related to women. We have encouraged and mobilized urban and rural women at large to contribute to the realization of the Eighth Five-Year Plan and the 10-Year Program. The emulation campaign in rural areas for studying general knowledge and technology, and competing with one another for contributions has improved the quality of women and enhanced their position in the family and society. It has also helped women in impoverished areas to shake off poverty and become well off.

Chen Muhua said: With a view to safeguarding world peace and creating a peaceful international environment for China's modernization construction, Chinese women have maintained extensive friendly ties with women of other countries, thereby deepening the friendship and cooperation with women in the neighboring countries

and developing countries; and promoting understanding and friendship among the people and women of various countries in the world.

The reception was attended by wives of foreign envoys; women diplomats; women experts and wives of experts helping China's modernization drive; women from other countries currently visiting the country; women compatriots from Taiwan, Hong Kong, Macao, and overseas visiting Beijing on invitation; and foreign women journalists in the capital.

NPC Official Chen Muhua Speaks

OW0803062492 Beijing XINHUA Domestic Service
in Chinese 0458 GMT 7 Mar 92

[By reporter Hu Xiaomeng (5170 2556 1125)]

[Excerpt] Beijing, March 7 (XINHUA)—More than 250 people representing all circles in the capital attended a rally today at the Great Hall of the People to mark the 82nd anniversary of International Women's Day, which falls on 8 March.

Comrades Peng Chong, Chen Muhua, and Qian Zhengying attended the rally. Huang Qizhao, vice president of the All-China Federation of Women, presided over the meeting.

Entrusted by the CPC Central Committee and State Council and on behalf of the All-China Federation of Women, Chen Muhua, vice chairman of the Standing Committee of the National People's Congress and president of the federation, extended festive congratulations to women from all walks of life and all nationalities across the country. She fully affirmed the achievements scored by the broad masses of women in the "double emulation and double competition" activities and their contributions. She said: Under the leadership of the CPC Central Committee and State Council, women in our country have made outstanding contributions to social unity and stability, to the stable development of economy, sciences, and culture, and to developing spiritual civilization. At the same time they have also benefited from their practices in social development. Some 90 million women have received training in culture and technology, some 340,000 of them have been confirmed with the title of farmer technician, and another 8 million have become literate. Women staff members, workers, cadres, and intellectuals in cities and towns have actively participated in "women making contributions" activities. Female scientists, technicians, specialists, and other workers who have distinguished themselves in their respective trades or posts have emerged in large numbers.

In her speech, Chen Muhua put forward a three-point proposal to women from all walks of life and all nationalities:

- to participate more actively in reform and opening to the outside world and economic construction and to make more contributions to developing social productivity;
- to continue to play an important role in safeguarding social stability and strengthening the construction of socialist spiritual civilization;
- to continue to develop their self-respect, self-confidence, independence, and self-improvement; foster lofty ideals and morals; improve themselves academically; observe organizational discipline; and become women who meet the requirements of the times. [passage omitted]

Women Leaders Urge 'Unification'

OW0803124792 Beijing XINHUA in English
1232 GMT 8 Mar 92

[Text] Beijing, March 8 (XINHUA)—Women leaders from Taiwan, Hong Kong, Macao and the mainland, speaking at a banquet here today, called for concerted efforts of Chinese women towards the unification and prosperity of the nation.

Taiwan, Hong Kong and Macao women delegates, who came to Beijing to celebrate the International Women's Day with mainland women, were entertained here this evening at a banquet, hosted by President Chen Muhua of the All-China Women's Federation.

Proposing a toast Chen, also vice-chairwoman of the National People's Congress Standing Committee, called the first get-together of women from Taiwan, Hong Kong, Macao and the mainland for the festival "a beautiful beginning that signals the unity of Chinese women."

Chen noted that women play a unique role and constitute a special force for promoting the cause of the unification. She said that with joint efforts and the implementation of the policy of "one country, two systems," "the day of a grand reunion of all the Chinese women will surely come, along with the unification of the motherland and the unity of the nation."

She called for enhanced contacts, mutual understanding and friendship among women of Taiwan, Hong Kong, Macao and the mainland, and for exchange of experiences and discussions on issues concerning women and children.

The three delegations from Taiwan, Hong Kong and Macao are led respectively by Executive Director Pan Wei-kang of the Modern Women Foundation in Taiwan, Vice-Chairwoman Kong Ai Kyeu of the Women Committee of the Chinese General Chamber of Commerce of Hong Kong, and President Lo Pak Sam of the Women's Union Association of Macao.

They called the meeting in Beijing "an unforgettable get-together." They expressed the wish for increased

exchanges among women in Taiwan, Hong Kong, Macao and the mainland and for joint efforts towards the unification and prosperity of the Chinese nation.

Russia, Mongolia To Bolster Economic Ties

OW0703040992 Beijing XINHUA in English
0300 GMT 7 Mar 92

[Text] Moscow, March 6 (XINHUA)—Russian Vice President Aleksandr Rutskoy and visiting Mongolian Premier Dashiyn Byambasuren agreed to strengthen bilateral relations today, the ITAR-TASS news agency reported.

During the Moscow meeting, the two sides expressed their keen desire to further develop relations on the basis of friendship, good-neighborliness and cooperation between the two countries.

Reports said that Deputy Prime Minister Aleksandr Shokhin and the Mongolian premier discussed details of Russian-Mongolian economic and trade cooperation on Thursday.

In a recent agreement, Russia agreed to provide energy to Mongolia and will transport oil and gasoline to Mongolia within days.

The two sides meanwhile reaffirmed that all the former Soviet troops deployed in Mongolian territory would pull out of Mongolia by the end of the year.

DPRK Urges U.S. To Open Nuclear Arsenals

OW0703194992 Beijing XINHUA in English
1612 GMT 7 Mar 92

[Text] Pyongyang, March 7 (XINHUA)—The Democratic People's Republic of Korea today urged the United States and South Korea to open up secret nuclear arsenals in the south and accept full inspection.

A statement issued by a spokesman for the Committee for the Peaceful Reunification of the Fatherland (CPRF) said it had been brought to light that a secret U.S. nuclear arsenal existed in South Korea.

It was reported that Chong Chu-yong, honorary chairman of the Hyundai business group, disclosed in Seoul on March 5 that his company had been involved in the project.

Hyundai undertook the top secret task of digging a tunnel in a mountain to stockpile atomic weapons belonging to U.S. Forces, he said. He admitted having personally overseen the project.

The CPRF statement said the disclosure of a secret nuclear arsenal had aroused serious public concern.

The declaration on the absence of nuclear weapons issued by the South Korean authorities now looked somewhat doubtful, it said.

Nuclear inspection between North and South must not be confined to "pilot inspection" of a few objects, and there should be comprehensive inspection of all sites including U.S. nuclear weapons and nuclear bases, it said.

U.S. Navy Prepared To Board DPRK's Ship

OW0703230692 Beijing XINHUA in English
2235 GMT 7 Mar 92

[Text] Washington, March 7 (XINHUA)—The U.S. Navy is prepared to intercept, if ordered, a freighter from the Democratic People's Republic of Korea (DPRK) which is reported to be carrying advanced Scud-c missiles for Iran or Syria, a senior U.S. defense official said today.

Speaking to reporters in Pensacola, Florida, U.S. President George Bush said he was concerned about the shipment. He said he's "always contemplating options."

And Brent Scowcroft, Bush's national security adviser who is traveling with Bush, said "We are worried about any kind of missile proliferation. It is dangerous and destabilizing. We are doing what we can."

The DPRK's ship has declared itself bound for Africa, but U.S. officials have said they believe it is headed for the Iranian port of Bandar Abbas, U.S. CBS-TV networks reported on Friday.

A senior U.S. defense official said the United States has "the forces in that region which could be used to search for that ship and perhaps board it."

The official said, on the condition that he not be identified by name, the United States was authorized "by international law and by U.N. sanctions against Iraq" to intercept shipping that may be destined for Iraq or for a port where goods might be transhipped to Iraq.

But he said, if the ship contains cargo bound for Iran and perhaps Syria, "We would not necessarily be able to divert that ship."

Since U.N. economic sanctions were imposed against Iraq after its August 1990 invasion of Kuwait, the U.S. Navy has intercepted 13,124 ships in the region, the Pentagon said.

Of those, 3,687 were boarded by the U.S. Navy and Coast Guard, the nature of their cargo determined and their destination and point of origin checked. Of the ships boarded, 235 had suspect cargoes and were diverted to other ports.

Syrian Sources Criticize U.S. Stance

OW0803213592 Beijing XINHUA in English
2112 GMT 8 Mar 92

[Text] Damascus, March 8 (XINHUA)—Syria's high-ranking diplomatic sources expressed astonishment

today at what has been reported that the U.S. is likely to intercept a Korean ship believed to be carrying Scud missiles to Iran or Syria.

"The U.S. interception of the Korean ship would provoke indignant repercussions in the region, especially by Arab extremists, and might have negative effects," the sources told XINHUA.

On Saturday, the Pentagon announced that the American Navy, as well as the warships of other states implementing a ban on arms supplies to Iraq, would be ready to stop and search the Korean ship carrying the Soviet-designed missiles.

U.S. warships from a base in Bahrain were poised today to challenge the ship of the Democratic People's Republic of Korea. Israel, at the same time, has urged the United States to intercept the ship.

U.S. military officials insisted the action would be legitimate because the U.S.-led Maritime Intercept Force has the right to challenge commercial ships in the region to enforce the U.N. trade blockade on Iraq.

Syria is opposed to the U.S. policy aimed at banning arms supplies to the region, and feels that this move is directed against Syria, especially given the fact that the U.S. has sold sophisticated weapons to Israel and other Middle East countries, the sources added.

Arab observers in the Syrian capital, meanwhile, have also warned that a U.S. measure against the Korean ship is likely to agitate Syrian-U.S. relations which have recently seen marked improvement.

They noted that such a measure may lead to a confrontation with Syria at a time when the U.S. Administration is seeking to enforce its Middle East peace initiative, and that it may cause Syria to adopt more hardline attitudes toward the U.S.

Arab diplomatic sources here think it unlikely for the U.S. to confiscate the missiles believed to be on their way to Syria or Iran, arguing that the matter might be limited to a search of the Korean ship with the aim of putting some political pressure on Syria and Iran.

The U.S. position has also brought about criticism from other countries in the gulf region.

In Iran, the daily "SALAM" newspaper called any U.S. search of Iran-bound ship "intolerable" and warned that it could backfire with U.S. losses outweighing the gains. Meanwhile, Arab diplomats or media opinions in Saudi Arabia and Bahrain also blamed the U.S. for the position.

United States & Canada

U.S. Human Rights Theory 'Not Consistent'

HK0903091892 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 5 Mar 92 p 2

["Human Rights" forum by Xiao Hong (0879 4767): "Universally Applicable or Pragmatic"]

[Text] It is asserted by the "human rights guardians" in the West that human rights transcends all national boundaries and that the criteria for human rights are universally applicable. As they transcend time, race, nation, state, class, and even ideology and value concepts, they are applicable wherever they are used and exclude no one.

However, the West's human rights theory is not consistent with its practice. What is discussed in theory may not be affirmed by legislation; recognition of certain important international documents on human rights may be rejected by citing "the violation of national interest" as an excuse. And even if recognition is granted, the human rights documents are used externally against you and not on me.

The "Universal Declaration of Human Rights" provides that: "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media and regardless of frontiers." However, it is explicitly stipulated in U.S. laws that: "Advocates of the economic, international, and political theses of world communism as well as of the establishment of an authoritarian dictatorship in the United States" will not be allowed entry into the United States nor be granted an entry visa" ("U.S. Legal Code," 1970 edition).

Okay, if you will not allow the spread of Communism in the United States, then you should also not force your capitalism, colonialism, and imperialism on other countries. But no, it still insists on their forced propagation. In the past, it set up a "Radio Free Europe" in Europe to conduct subversive propaganda against the socialist states of East Europe; today, it is engaged in a so-called "Radio Free Asia" designed to transmit its political views and economic theses to China in the hope of restoring colonial rule in China.

The "human rights guardians" in the West were never concerned with the miseries of the Chinese people in old China nor with the tragic lives of the Tibetan people of China under the slavery system. But whoever seeks to subvert China's legitimate government and attempts to reverse the course of Chinese history are immediately seen as assets to them.

In recent years, some U.S. congressmen and journals seem to seize every opportunity to attack China for its

handling of the criminals involved in the Beijing counterrevolutionary rebellion and in the Lhasa riots. Following this logic, the freedom to spread rumor and mislead the public, to instigate riots, to attack the government and the Congress, and to harm the army and people should exist in the United States. But a look at the legal code proves this to be wrong.

Article 2395 of the "U.S. Legal Code" clearly provides: "Anyone who engages in, deliberately advocates, persuades, promotes, or teaches the use of force or violence to overthrow or undermine the government of the United States or of any state" and "anyone who prints, publishes, edits, proclaims, distributes, sells, disseminates, or openly displays any written or published matter with intent to overthrow or undermine any such type of government, and who advocates, encourages, or teaches the use of force or violence to overthrow or undermine any government inside U.S. territory" will be "subject to either a fine of not more than U.S.\$20,000 or a maximum prison term of 20 years, or both, and will be prohibited from federal or any other departmental or bureau employment within five years after a verdict is handed down" ("U.S. Legal Code", 1981 edition).

The "human rights guardians" in the West are advocates of "natural human rights." What are "natural human rights"? They are "granted by the Creator," "present since birth," and "accorded to the natural person void of social character or class."

Why is it that if the "natural person" engages in rebellion in the United States, it is illegal, but if he does the same in China, he is considered a treasure? Why is it treason and heresy to propagate communism in the United States while China has to accept the West's multiparty system and privatization?

Judging from the U.S. legal code and its political conduct, it deals rather severely with "dissidents" who jeopardize the bourgeois state and the bourgeois political system; but it considers the support and encouragement of rioters and separatists in other countries as the "cornerstone" of its own policy. Surely this can hardly be considered as the universal applicability of human rights criteria?

Actually, it all comes down to the fact that the so-called human rights of certain people in the United States is one which allows them to conduct infiltration, subversion, and evolution, but not for you to oppose infiltration, subversion, and evolution; one that allows them to claim supremacy and hegemonism, but for you to remain submissive and dominated. Talk of the "universal applicability of human rights" and "human rights which transcends national borders" are all false. What is true is the promotion of hegemonism, colonialism, and capitalism.

XINHUA: U.S. To 'Insure' Superpower Status

*OW0803212792 Beijing XINHUA in English
1833 GMT 8 Mar 92*

[Text] Washington, March 8 (XINHUA)—A classified document prepared by the Pentagon claims that America's political and military missions in the post-Cold-War era will be to insure that no rival superpower is allowed to emerge in Western Europe, Asia or the territory of the former Soviet Union, the NEW YORK TIMES reported today.

The document, known formally as the Defense Planning Guidance, is an internal Pentagon policy statement but developed in conjunction with the National Security Council and in consultation with the president or his senior national security advisers, the NYT said.

The 46-page statement is a detailed justification for the Bush administration's "base force" proposal to support a 1.6-million-member military over the next five years at a cost of about 1.2 trillion dollars, the TIMES said.

"It makes the case for a world dominated by one superpower...to deter any nation or group of nations from challenging American primacy," the NYT noted.

The guidance says that though U.S. nuclear targeting plans have changed "to account for welcome developments in states of the former Soviet Union," American strategic nuclear weapons will continue to target vital aspects of the former Soviet military establishment.

The rationale for the continuation of this targeting policy is that Russia will remain "the only power in the world with the capability of destroying the United States", the document says.

In Europe, the Pentagon paper asserts that "a substantial American presence in Europe and continued cohesion within the western alliance remain vital," but to avoid a competitive relationship from developing, "we must seek to prevent the emergence of European-only security arrangements which would undermine NATO."

The statement calls on the European Community to offer memberships to Eastern European countries as soon as possible and offers a explicit commitment to defend the former Warsaw Pact nations from Russia, the NYT said.

In East Asia, the document says, the United States can draw down its forces further, but "we must maintain our status as a military power of the first magnitude in the area."

First Sino-U.S. MD-83 Plane Under Construction

*OW0703152392 Beijing XINHUA in English
1450 GMT 7 Mar 92*

[Text] Shanghai, March 7 (XINHUA)—Construction of the first Sino-U.S MD-83 twin-engine jet airliner here is going ahead smoothly.

The assembly will be finished this May, and then it will be exported to the United States.

At the same time, the assembly work on another three MD-83 and one MD-82 airliners for China Northern Airlines has started at the factory of the Shanghai Aviation Industry Corporation.

According to a contract signed between the Shanghai Aviation Industry Corporation, China National Aero-technology Import and Export Corporation and the U.S.-based McDonnell Douglas Company, China is to produce 10 MD-80 airliners this year. Half of them will be exported to the United States and the others will be handed over to the Civil Aviation Administration of China by the end of this year.

From 1987 to 1991 some 25 MD-82 airlines were assembled as Sino-U.S. co-operative ventures; they have since gone into service with China Eastern Airlines and China Northern Airlines.

Bush Takes Lead in South Carolina Primary

*OW0803122592 Beijing XINHUA in English
1209 GMT 8 Mar 92*

[Text] Washington, March 7 (XINHUA)—President George Bush tonight took a big lead in the U.S. presidential election campaign against two rivals of his own Republican Party in South Carolina.

The President reaped 67 percent of the vote while conservative columnist Patrick Buchanan collected 26 percent and former Ku Klux Klanman David Duke, who was in his first primary in the race, scored seven percent.

"The people of South Carolina have given me solid support for that direction and a strong foundation for more victories," Bush said in a statement.

The President won all eight primaries and caucuses in New Hampshire, Maine, South Dakota, Maryland, Colorado, Minnesota and Washington as well as South Carolina in less than three weeks but he also got a sizable protest vote.

Bush's victory tonight coincided with his decision to wind up a Southern Campaign swing. He returned to Washington tonight, cutting off two days from his scheduled six-day trip because of the victory.

The President is favored to sweep the eight Republican primaries, mostly in the south next Tuesday.

The contents known as "super Tuesday" will enable him to get 90 percent or more of the 421 delegates even if his challenger Buchanan notches 30 percent or more of the vote as he won in the earlier states, according to a survey by the Associated Press.

Bush has so far got 184 out of the 1,105 Republican delegates needed to win the presidential nomination. The total delegate votes are 2,209.

On the Democratic side, Arkansas Governor Bill Clinton was a big winner with 66 percent of the vote in the South Carolina primary tonight, followed by former Massachusetts Senator Paul Tsongas who took 17 percent.

Former California Governor Edmund Brown and Iowa Senator Thomas Harkin each gained six percent of the vote in the primary.

Clinton also added two victories in caucuses in Wyoming and Arizona while Brown and Tsongas ran second in the two states respectively.

The Arkansas governor termed his campaign tonight as "a nice boost going into super Tuesday."

Tsongas, Clinton's major rival, conceded his defeat in the three western states, saying "My strength is not in caucuses."

Tsongas made a strong campaign in Florida today and was looking ahead to Illinois and Michigan.

Trade With Canada To Increase in 1992

HK0903013392 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 8 Mar 92 p 3

["Trade Ties" column by Wang Yong: "Canada"]

[Text] Bolstered by continuous growth in the past few years, trade and economic cooperation between China and Canada is set to increase further in 1992.

Chinese foreign trade officials believe that bilateral trade will grow despite the balance tipping against China in the past two decades.

"We will continue to import such capital goods as wheat, potash fertilizer and paper and pulp from Canada this year," said Sui Hui, an official from the Ministry of Foreign Economic Relations and Trade (MOFERT), adding that there are plans to increase the imports if Canada provides favourable prices.

Meanwhile, China expects to export new products such as electronic products and mining machinery adding to the traditional market in textile products and garments.

"On the one hand, China should improve the quality of its exports, but on the other, Canada should remove trade barriers," Sui said.

China is hoping that Canada will reduce import barriers on Chinese textile products and garments, and be cautious in its handling of "anti-dumping cases" involving Chinese goods.

Also, Sui called for concerted efforts by both countries to create balanced bilateral trade in the future.

Chinese statistics show that China sustained an aggregate \$14 billion trade deficit with Canada from 1979-91, while Canadian statistics put the figure at more than \$10 billion.

Sui pointed out that exports of textile and light industry products, garments, cereals, oils and foodstuffs increased last year, while livestock products, handicraft, ferrous metal and machinery fell.

In 1991, bilateral trade hit \$2.2 billion, up 15.8 percent from 1990, according to China's General Administration of Customs.

Chinese exports increased 29 percent to \$550 million, while imports climbed 11.3 percent to \$1.64 billion.

The figures again support the fact that Canada remains one of the few Western nations which have managed a sustained export increase to China in the past few years.

Moreover, Mofert figures show that from January to November last year, China imported \$224 million worth of petrochemical products from Canada, up 36 percent from 1990.

The import of Canadian potash, pulp, apparatus and complete sets of equipment all increased dramatically.

Canadian export of aeronautical equipment, in particular, soared 425 percent over a year before to \$16.5 million.

The Pratt and Whitney Corporation sold 230 sets of aircraft engines to China to be installed in Chinese-made Y-12 planes.

"This surge is a result of the sharpened competitiveness of Canadian enterprises in the Chinese market," Sui said.

The competitiveness comes mainly from the Canadian Government's promise to provide China with preferential government loans to boost bilateral economic co-operation.

The first two batches of such loans were signed in 1986 and 1988 respectively, both of which were designated for the development of China's energy, transportation, communications, chemical, mining, metallurgy, machinery, and paper-making industries, as well as forestry and agriculture.

Last November the two governments signed an agreement for a third batch of Canadian Government preferential loans. Under the agreement, Canada promised to extend a total of \$370 million worth of mixed loans for 1991-93. Of this, 40 percent is in interest-free loans and the rest is export credits.

"Canadian Government loans have proved conducive to bilateral trade and economic co-operation," Sui maintained.

And she said that mutual investment has also picked up in the past seven years.

The two countries signed an accord in 1984 to protect investment in each other's territory, and in 1988, they signed an agreement to avert double taxation.

By the end of last June, Canada had invested in 146 projects in China, with promised Canadian capital of \$298 million. This makes Canada the 10th largest overseas investor in China.

Central Eurasia

Russian Foreign Minister To Visit Beijing

*HK0903100892 Hong Kong AFP in English
0956 GMT 9 March 92*

[Text] Beijing, March 9 (AFP)—Russian Foreign Minister Andrei Kozyrev is due here next week for an official visit although the exact date and itinerary have not yet been worked out, the Russian Embassy here said Monday.

Embassy spokesman Constantin Vnoukov [name as received] said the visit could take place Monday and Tuesday.

Kozyrev would be the second Russian minister to visit China since the breakup of the Soviet Union last year, following the visit last week of foreign trade minister Piotr Aven, who signed an economic and trade cooperation agreement.

Kozyrev is expected to meet first with Chinese counterpart Qian Qichen, the spokesman said. "First of all they will discuss bilateral relations and then the international situation," he added.

Both Russia and China are permanent members of the United Nations Security Council. The others are Britain, France and the United States.

The spokesman said he did not know if the two foreign ministers would discuss a possible visit to China by Russian President Boris Yeltsin. The Russian Embassy had previously indicated that such a trip was being considered by both sides.

China has been boosting links with the new republics in the former Soviet Union, with whom it is keen to maintain good relations and increase trade.

Official Invites Russians to Harbin Trade Talks

*OW0603100792 Beijing XINHUA Domestic Service
in Chinese 1558 GMT 5 Mar 92*

[By reporter Ju Mengjun (0215 1322 6511)]

[Text] Moscow, 5 March (XINHUA)—Du Xianzhong, vice governor of Heilongjiang Province who was visiting Moscow, held a press conference here on 5 March. He invited Russia and other countries to participate in economic and trade talks, which will be held in Harbin in June this year.

Du Xianzhong said: The Third Border and Regional Economic and Trade Talks in Harbin, China, which will be held from 15-24 June this year, aims to further

develop border and regional trade, economic, and technological cooperation between China and its peripheral countries.

He said: Major localities which will participate in the talks are the three provinces of Heilongjiang, Jilin, and Liaoning; the Inner Mongolia Autonomous Region; and the four cities of Harbin, Changchun, Shenyang, and Dalian. Also invited to the talks are companies from former Soviet republics such as Russia, East European nations, and countries such as Mongolia, Korea, and Vietnam, which have obtained the right to conduct barter trade, and economic and technological cooperation with China. He indicated that during the talks, various types of economic and trade cooperation such as spot-exchange trading and countertrading will also be carried out.

Du Xianzhong said: The first two trade talks held in Harbin in 1990 and 1991 were a complete success. They promoted economic and trade cooperation, and mutual friendly exchanges among countries attending the talks.

Heilongjiang Urges More Trade With Federation

*SK0803062592 Harbin Heilongjiang People's Radio
Network in Mandarin 1000 GMT 4 Mar 92*

[Station commentary entitled: "What Should We Do Since the Russian Federation Has Opened Its Gate for Trade?"]

[Text] The central television station presented a 30-minute noteworthy program on 4 March, in which the station revealed that the Russian Federation had opened its Far East trade harbors to the outside world by offering import customs duty exemption and allowing more than 30 percent of trading enterprises to apply natural resources to engaging in barter trade and spot exchange trade. This undoubtedly means that the Russian Federation has opened its trade gate to its neighboring province, Heilongjiang. Thus, our enterprises and trading companies should take greater steps in this regard, expand their foreign trade in a timely manner, and open trade markets of various commodities with the Russian Federation. It should be said that over the past few years, our province has scored gratifying achievements in its border trade by enforcing the strategy of establishing economic associations with provinces and cities in the South and opening its trade relations with countries in the North. However, trade between China and the Russian Federation was adversely affected by Russian Federation restrictions in various fields. The trade gate currently opened by the Russian Federation may foreshadow magnificent trade prospects in the Far East. As Governor Shao Qihui pointed out at the session of the provincial People's Congress, we, based on consolidating and developing the existing channels of trade and the economy, should actively pay a visit to the countries of the CIS and strive to make a great step in the fields of high-volume trade. These areas include grain exports, economic cooperation, all types of compensatory trade,

exchange of information, construction contracts, and labor exports. Judging from the situation in a comprehensive way, the opportunity we face is indeed rare and our enterprises and trading companies will be able to develop their ability to the fullest as long as they take bold steps in expanding their trade with them.

Zou Jiahua Meets Russian Foreign Minister

OW0603124692 Beijing XINHUA in English
1132 GMT 6 Mar 92

[Text] Beijing, March 6 (XINHUA)—Chinese Vice-Premier Zou Jiahua met with Russian Minister of Foreign Economic Relations P. Aven and his party here today.

During the meeting, they exchanged views on issues of common concern.

Aven, invited by the Chinese Ministry of Foreign Economic Relations and Trade, is leading an economic and trade delegation of the Russian Government on a visit here.

Yeltsin Frees Prices on Daily Necessities

OW0803020992 Beijing XINHUA in English
0106 GMT 8 Mar 92

[Text] Moscow, March 7 (XINHUA)—The Russian Government decided today to free prices for some daily necessities in a move designed to "further develop the market economy and make consumer market more abundant."

The resolution, signed by President Boris Yeltsin, said price ceilings would be abolished for bread, milk, coffee, granulated sugar, table salt, vegetable oil and matches as of today.

In order to cushion the latest price rise's pressure on the people, Russia has ordered various local governments to subsidize those in need.

'More Flexible Policies' To Assist CIS Firms

HK0803074392 Beijing CHINA DAILY
(BUSINESS WEEKLY) in English 8 Mar 92 p 1

[By Qu Yingpu: "Flexible Policies Help Target CIS Labour Market"]

[Text] The Chinese Government is providing more flexible policies to enable labour service and project engineering companies to make "quick and big gains" in the former Soviet republics, a market on top of China's development list.

Meanwhile, Hong Kong is expected to absorb the bulk of the mainland's labour export this year, with an estimated 10,000 more mainlanders working there.

Based mostly on the expected gains in the two markets, China hopes to increase its overseas workers to 105,000

this year and grab another \$4 billion worth of labour service and project engineering contracts, according to a senior official with the Ministry of Foreign Economic Relations and Trade (MOFERT).

Last year China signed \$3.5 billion worth of such contracts with 91,000 Chinese working abroad, both record highs, said Chen Yongcai, director of MOFERT's Foreign Economic Cooperation Department.

Chen said the new government policies will include authorizing small companies to export more labour to the Commonwealth of Independent States [CIS].

Small border trade companies will be allowed to trade \$1 million worth of items with and send 100 Chinese workers to the former Soviet republics, he said. The current quotas are \$500,000 and 50 people.

As the former Soviet republics struggle for a better supply of daily items, more Chinese businesses are urged to open department stores in the republics, dealing in items ranging from food and clothes to light industrial products.

Earnings from the stores should be used to buy real estate or construct buildings such as foreign embassies for the newly independent republics, Chen said.

The money can also be used to buy local products such as coal, which is not in demand on the Chinese market, and export it to countries and regions such as South Korea and Taiwan, he said.

Chen said China is sending more farmers to grow vegetables for cities in the republics while hoping to start big industrial projects such as cotton mills in Turkmenistan, which produces 1.4 million tons of cotton a year but has no cotton mills. Other industrial projects under negotiation are in the fields of tape recorder, television set, computer and telephone manufacturing.

He said he expects a steep increase in the labour service and project engineering business in the Commonwealth of Independent States. Last year, 22,000 Chinese worked there on construction, industrial processing and forestry cultivation projects, with earnings hitting \$1 billion.

"It's risky," Chen said, "but business opportunities overshadow the risks in the republics."

China is planning to send more than 10,000 labourers to Hong Kong this year, where a similar number of mainlanders are already working in hotels, restaurants, construction projects and garment manufacturing.

With an unemployment rate of less than two percent, Hong Kong is in big need of mainland labourers who speak the same language, he said, adding that the \$12.8 billion Hong Kong airport will open up new opportunities for Chinese labour service companies.

"Hong Kong is a good market where earnings are high," Chen said. Monthly salaries are roughly \$800, of which a worker can keep 75 percent and the rest goes to the labour companies.

Backed by a government economic co-operation agreement signed during Foreign Minister Qian Qichen's visit there last month, Vietnam is becoming another major market for China's project engineering services, Chen said.

Vietnam needs Chinese technicians, technology and equipment to revive several hundred projects built with Chinese equipment and spare parts in the 1960s and 1970s.

While labour exports to Saudi Arabia and Kuwait are mostly under negotiation, China is reviving its Middle East market share by building power stations, nonferrous metal plants and other industrial projects for Iran and the United Arab Emirates.

The Gulf region used to be China's biggest labour market, with tens of thousands of Chinese working there at one time, but the Gulf War last year damaged the market share. Currently there are only 4,000 workers there.

Chen also disclosed that China is considering sending workers to Israel, but he stressed the labour service there must be limited to nondisputable areas and to industries "non-sensitive" to Israel's neighbours. China and Israel established diplomatic relations in January.

'Round-up' Views 'Intensified' Azerbaijan Conflict

*OW0703105392 Beijing XINHUA in English
0959 GMT 7 Mar 92*

[*"Round-up" feature*]

[Text] Moscow, March 7 (XINHUA)—Intensified conflicts in the disputed Nagorno-Karabakh region has resulted in fresh casualties since the last regiment of the Commonwealth of Independent States (CIS) pulled out of the area on March 4.

Azerbaijani forces have launched a series of attacks on the area after Armenia troops seized 53 out of the total 54 resident settlements of Nagorno-Karabakh, a region mostly resided by Armenians but governed by Azerbaijan.

On Thursday night, Azerbaijani guerrillas and ten armored vehicles launched attacks on three villages in the region, killing 37 Armenians and wounding several dozen others. About one dozen Azerbaijanis were also killed.

On Wednesday, the Azerbaijani fighters attacked the Kazanchi and one other village, inflicting 47 deaths. They entered the town of Askeran and encountered with the Armenians in an intense street fighting the same day.

The worsening situation in Nagorno-Karabakh has aggravated tension in the Azerbaijani capital of Baku.

Many Azerbaijani refugees are fleeing from the conflicting area to Baku and thousands of Baku citizens took to the street to press their demand for "recapturing the lost territories."

The republic's parliament held an emergency session, during which opposition parliamentarians accused President Ayaz Mutalibov of being incapable of resolving the Nagorno-Karabakh issue and providing security guarantees for his own people.

Under such circumstances, Mutalibov had to announce his resignation Friday night. Local observers said his resignation would escalate the clashes in that area.

To prevent the situation in the region from deteriorating, CIS leaders have called for a negotiated settlement.

Russian President Boris Yeltsin and Kazakh President Nursultan Nazarbayev two days ago urged the two sides to agree on a ceasefire immediately. They expressed the hope that the conflicts in the area would be settled peacefully.

Both Yeltsin and Nazarbayev have suggested forming a CIS peacekeeping force to cool down the situation in the region.

Ukrainian President Leonid Kravchuk said that the CIS summit in Kiev on March 20 would discuss the issue of Nagorno-Karabakh.

Local observers held that the heavier the casualties in the area, the slimmer the chance of a peaceful solution to the issue.

Tatar Not To Withdraw From Federation

*OW0803113892 Beijing XINHUA in English
1119 GMT 8 Mar 92*

[Text] Moscow, March 8 (XINHUA)—The parliament of Russia's Autonomous Republic of Tatar said the forthcoming referendum would not include the question of whether or not to withdraw from the Russian Federation.

This was a response to recent appeal from the Russian Parliament calling on Tatars to boycott the referendum, saying it could result in the severing of the Tatarian people's links with other states and Tatar's departure from the Russian Federation.

The referendum on Tatar's sovereignty was scheduled for March 21.

For the time being, the Tatarian Supreme Soviet said, Tatar would remain inside the economic and geopolitical region of Russia.

On Tuesday, Tatarian president told Russian television that his republic wanted to establish a brand-new relationship with Russia based upon equal treaties and wanted to alter its "second-class" status in Russia.

The Tatarian Autonomous Republic covers an area of 68,000 square kilometers in central Russia. It has a population of 3.5 million, with 47 percent ethnic Tatars.

Northeast Asia

'Hardliners' To Demand Japanese War Compensation

OW0903030692 Tokyo KYODO in English
0250 GMT 9 Mar 92

[Text] Beijing, March 9 KYODO—A new generation of anti-Japanese hardliners is set to demand 180 billion dollars from Japan in wartime compensation for damage and casualties suffered by Chinese civilians, reliable sources said Monday in Beijing. Draft legislation demanding reparations for civilian Chinese killed or injured during the Japanese Imperial Army's invasion is expected to be submitted to the National People's Congress when it convenes March 20, the sources said.

Chinese diplomatic sources suggest the proposal is not likely to be approved by the people's congress, but they fear that along with China's recent claim to the disputed Senkaku Islands it may lead to a deterioration of bilateral relations. That concern is heightened by a planned visit to Japan in early April by Chinese Communist Party Secretary General Jiang Zemin to mark the 20th anniversary of renewed Tokyo-Beijing relations.

The issue of war reparations and compensation for the Japanese invasion of China in the 1930s was settled by the two governments when they restored diplomatic relations in 1972. One diplomatic source Monday said that it would be impossible for the Chinese Government to change its stance that the issue of reparations has been resolved. China, which wants to accelerate economic reforms and liberalization, does not want relations with Japan to deteriorate, the source said.

Recent demands by North and South Korea for Japanese war reparations and the belief that Tokyo wants to avoid any problems marring the anniversary appear to have influenced the petition. Sources suggested that Jiang may even be pressured to demand that Japan settle its "bill" of the past during his trip to Tokyo.

Reliable Chinese sources say that at least 30 members of the people's congress, the minimum necessary to submit a proposal, have been working on the details of the bill, and add there has been no intervention by the Communist Party. The petition reportedly has been spearheaded by a new generation of anti-Japanese hardline leaders, who also sponsored China's recent claim that the Senkaku Islands, known as the Diaoyutai in China, are Chinese territory, the sources said. It is also backed by a

number of legislators from Sichuan Province who endorse Tong Zeng, the Beijing academic who submitted the proposal last March.

The representatives say China can claim 300 billion dollars in war reparations for damages caused by the Japanese Imperial Army. Of that, they acknowledge 120 billion dollars worth of claims were paid to the Chinese Government when the two countries normalized relations. The new demand for 180 billion dollars, or about 23.18 trillion yen, is to compensate private citizens who suffered at the hands of the Japanese soldiers in the 1930s and 1940s, the sources said.

The petition will demand compensation for 10 million nonmilitary Chinese who were killed or injured by the Japanese, including those in the Nanjing massacre, three million Chinese forced laborers, and victims of Japanese chemical and biological weapons. The proposal also will seek reparations for the Imperial Army's looting and destruction of public and private Chinese industries. The hardliners, citing as an example Germany's reparations to Poland, are expected to seek payment through the Chinese Red Cross.

The new demands have been met with a heightened interest domestically since arguments for a legal basis for the proposal have been introduced in the PEOPLE'S DAILY and a jurisprudence specialty newspaper.

Editorial on Jiang Zemin's Upcoming Japan Visit

HK0903033792 Hong Kong WEN WEI PO
in Chinese 9 Mar 92 p 2

[Editorial: "Jiang Zemin's Visit to Japan is Beneficial to Peace and Cooperation Between Two Countries"]

[Text] General Secretary Jiang Zemin of the CPC Central Committee is to visit Japan from 6 to 10 April. While in Japan, he will meet with the Japanese emperor, hold talks with Prime Minister Kiichi Miyazawa, and carry out extensive contacts with people from all circles in Japan.

Jiang Zemin's visit to Japan will be his first trip to a developed capitalist state since becoming general secretary of the CPC. Japan and China are neighbors with long historical ties, separated by a strip of water; they are also important and influential countries in the Asia-Pacific region. Hence, Jiang Zemin's visit to Japan is not only a major event in the history of Sino-Japan relations, but will also have a positive impact on the stability and development of the Asia-Pacific region.

This year marks the 20th anniversary of the normalization of diplomatic relations between China and Japan. It was 20 years ago that China and Japan normalized diplomatic ties under the joint efforts of Chairman Mao Zedong, Premier Zhou Enlai, and Prime Minister Tanaka, opening a new page in the thousand-year-old ties between China and Japan. Generally speaking, official and nongovernmental exchanges between China and

Japan have grown steadily over the past 20 years. Even though China and Japan have different political and social systems, as well as different value concepts, these did not stop them from developing mutually beneficial and friendly relations on the basis of the Five Principles of Peaceful Coexistence. The Japanese government was the first of the seven industrial states to lift its economic sanctions against China since 1989. The head of the Japanese government was also the first of the seven industrial states' leaders to visit China. This shows that, in formulating its policy on China, the Japanese government gives priority to its own national interest and also takes into full account the situation in the Asia-Pacific region.

Economic relations and trade constitutes a vital feature of Sino-Japan relations. Back in the late 1960's, Japan had already begun to sell all kinds of large-scale equipment to China. Since the introduction of reform in China, trade and economic relations between the two countries and exchanges of personnel have grown even more rapidly. In carrying out its modernization efforts, China can borrow many of the valuable experiences accumulated by Japan in the course of its economic development. Given the acceleration of reform and expansion of opening up by China today, more of these experiences will be borrowed from Japan in the future.

But, needless to say, there are still areas in Sino-Japanese economic and trade relations which need improvement. Even though Japan is China's principal trading partner, its investments and transfer of technology to China could be increased further, and its restrictions of Chinese imports could be relaxed further. Already, many knowledgeable sources in Japan have pointed to the continuing improvement of China's investment environment as well as to the immense potential of its economic growth and market. In fact, Japanese investments in China have been growing in recent years. General Secretary Jiang Zemin's visit to Japan should boost the interest and confidence of Japanese industrial and business circles regarding investments and trade with China. A new situation will also unfold in the growth of Sino-Japanese economic and trade relations.

The Japanese emperor is scheduled to visit China this year in what will be the first visit to the country by a Japanese head of state. Consequently, the visit will be a major event in the history of Sino-Japanese relations. In modern times, Japanese militarists invaded China several times, creating immense miseries for the Chinese people. This unjust war also brought untold suffering to civilians in Japan. In the thousand-year long contact between the two countries, however, this unhappy period was, after all, a brief one. Today, China is stronger than at any time in history while its foreign relations, notably relations with its neighboring states, are at their best. All these also offer new room for the development of Sino-Japanese relations.

Today's world is characterized by the rise of regional economic groups and the absence of a new structure

governing international relations. While Japan is one of the world's most developed countries, it is also confronted by unprecedented challenges in international economic competitions. The European integration and U.S.-Japanese trade frictions all have adverse effects on Japan. Given that the situation in Eastern Europe remains tumultuous and the Middle East peace conference has failed to make a breakthrough, the political stability and economic growth in the Asia-Pacific region has stood out proudly. Under these circumstances, the promotion of Sino-Japan ties is extremely important to the two countries as well as to the Asia-Pacific region. The two countries' common interests far outweigh their differences, and even if disagreements do exist, they can be settled entirely through friendly negotiations.

Looking into the last decade of this century and into the next, exchanges in all aspects between China and Japan will no doubt multiply. We wish General Secretary Jiang Zemin a successful visit to Japan, one that will open a new chapter in promoting economic cooperation between the two countries and friendly exchanges between the two peoples.

Japan Said To Welcome Visit

OW0603135692 Beijing XINHUA in English
1317 GMT 6 Mar 92

[Text] Tokyo, March 6 (XINHUA)—Japan welcomed the forthcoming visit to Tokyo by Chinese Communist Party General Secretary Jiang Zemin, a Foreign Ministry spokesman said today.

"China is an important neighbor to Japan." Spokesman Masamichi Hanabusa told reporters at a regular press briefing this afternoon.

"Japan and China normalized relations 20 years ago and both of them are anxious to maintain and promote bilateral relations," he said.

"The government of Japan sincerely welcomes the visit of the general secretary, which will further strengthen the friendly relations existing between Japan and the People's Republic of China."

Today's press release said Jiang would pay an official visit to Japan from April 6-10.

The Chinese party leader will hold talks with Japanese Prime Minister Kiichi Miyazawa and enjoy an audience with Emperor Akihito during his stay.

Sino-Japanese Greening Campaign To Be Launched

OW0603023792 Beijing XINHUA Domestic Service
in Chinese 0423 GMT 5 Mar 92

[By reporter Luo Xiaolu (5012 2556 6424)]

[Text] Beijing, 5 March (XINHUA)—It has been learned that a large-scale greening campaign will be launched on the banks of Beijing's Chaobai River, in Baotou city, and

the Maowusu Desert during the last 10 days of March. The campaign is being sponsored by Japan's Desert Afforestation Association, China's Greening Foundation, the China-Japan Friendship Association, the Greening Committee of the Capital, and the Inner Mongolia Autonomous Region in celebration of the 20th anniversary of normalized diplomacy between China and Japan.

It was reported that 1,000 volunteers from Japan will help plant more than 1 million trees in the "Sino-Japanese Peace Forest" located in the Chaobai Water-Front Park.

Inter-Korean Nuclear Control Talks End

*OW0603192492 Beijing XINHUA in English
1913 GMT 6 Mar 92*

[Text] Pyongyang, March 6 (XINHUA)—The fifth inter-Korean contact on the formation and operation of the North-South nuclear control joint committee (JNCC) was held today with no agreement reached.

In the contact held behind closed doors, the North side insisted that the issues of foreign nuclear weapons and military bases on the Korean Peninsula should be covered in the accord.

The South side opposed to the North's position and maintained the one-to-one pilot inspections.

The North side was against the pilot inspections and in favor of comprehensive inspections. The procedures and ways of inspections should not be included in the accord but decided by the JNCC, it maintained.

The two sides agreed to hold the next contact session on March 10.

Southeast Asia & Pacific

SRV Party Delegation Arrives for Beijing Visit

Invited By CPC Central Committee

*BK0803040292 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 7 Mar 92*

[Text] On 7 March, a delegation of the Communist Party of Vietnam [CPV] led by comrade Le Phuoc Tho, member of the CPV Central Committee Political Bureau arrived in Beijing for a visit to China at the invitation of the Communist Party of China [CPC] Central Committee. Welcoming the Vietnamese delegation at the airport were comrades Zhu Liang, member of the CPC Central Committee and head of the party Central Committee International Liaison Department; Zhao Zongnai, member of the CPC Central Committee and deputy head of the party Central Committee organization department; Tran Huu Nghia, Vietnamese charge d'affaires a.i. to China; and many other officials from the Vietnamese Embassy in China.

In the evening the same day, comrade Song Ping, member of the CPC Central Committee Political Bureau, hosted a dinner in honor of comrade Le Phuoc Tho and his entourage. Also attending the function were comrades Lu Feng, head of the CPC Central Committee Organization Department; Zhu Liang, head of the CPC Central Committee International Liaison Department.

Earlier on 6 March, enroute to Beijing, the Vietnamese delegation made a stopover at Nanninh region of Guangxi Province. Comrade Zhao Fulin, secretary of party committee of the region and other Chinese officials welcomed and hosted a reception in honor of the Vietnamese delegation.

Meets CPC's Song Ping

*CM0903122192 Beijing XINHUA Domestic Service
in Chinese 1244 GMT 7 Mar 92*

[Text] Beijing, March 7 (XINHUA)—Song Ping, Standing Committee member of the Political Bureau of the Chinese Communist Party (CPC) Central Committee, met here this afternoon with a delegation from the Communist Party of Vietnam, led by Le Phuoc Tho, a member of the Political Bureau of the Vietnamese Communist Party Central Committee.

Song, extending a warm welcome to the guests, noted that the group represents the first to visit China from the Vietnamese Communist Party since China and Vietnam normalized relations.

On request, Song gave an account of the CPC's efforts to strengthen the party building in the context of reform and opening to the outside world.

As close neighbors, he said, China and Vietnam need to share experiences as well as information.

In turn Le Phuoc Tho, also chairman of the commission for organization of his party's central committee, briefed Song on his country's progress in economic reform, particularly in agriculture.

The Vietnamese Communist Party attaches great importance to the construction and the leading role of the party, he said.

Song, referring to China's domestic situation, said the country will continue to unswervingly march along the party's basic line of making economic development the central task while adhering to the four cardinal principles and persevering in reform and the open policy, as initiated by Deng Xiaoping, quicken the pace of reform and opening to the outside world, and go all out for the rapid development of the economy.

Lu Feng, head of the Central Organization Department, and Zhu Liang, director of the Central International Liaison Department, attended the meeting.

Group Includes Communications Minister

HK0803025292 Hong Kong AFP in English
0237 GMT 8 Mar 92

[Text] Beijing, March 8 (AFP)—Vietnam's communications minister has arrived in China to sign four agreements on resuming air, sea and rail transportation links and postal services, a Vietnamese source said Sunday.

Minister for Communications, Transport and Posts Bui Danh Luu arrived in Beijing on Saturday for a four-day visit along with Vietnamese Communist Party politburo member Le Phuoc Tho.

The minister was expected to sign the agreements with his Chinese counterparts later Sunday, the source said, adding that implementation of the accords still required talks between the transport companies and postal services of the two countries.

The restoration of communications after a 13-year break was expected to boost trade, which has already boomed across the Sino-Vietnamese border as tensions eased in the last four years.

The party leader is here on the first visit by a Vietnamese party delegation to China since relations were normalized and is scheduled to take a 10-day tour of the country before returning home next week.

Tho met Saturday with Chinese Communist Party politburo member Song Ping after his arrival and the two men briefed each other on domestic economic reforms, the XINHUA NEWS AGENCY said.

"As close neighbors," Song was quoted as saying, "China and Vietnam need to share experiences as well as information."

China and Vietnam normalized relations in November during a visit here by Vietnamese party chief Do Muoi.

The two countries had been at odds since Vietnam invaded Cambodia in 1978 and overthrew the Chinese-backed Khmer Rouge regime. They fought a brief border war in 1979.

Sides Sign Four Agreements

OW0803084292 Beijing XINHUA in English
0830 GMT 08 Mar 92

[Text] Beijing, March 8 (XINHUA)—China and Vietnam signed here today four bilateral agreements on cooperation in communications, transport and posts and telecommunications.

The four documents include an agreement on trans-border railways between the Chinese Ministry of Railways and the Vietnamese Ministry of Transport and Posts, three agreements on posts and telecommunications cooperation, maritime shipping and civil aviation between the two governments.

Visiting Vietnamese Minister of Transport and Posts Bui Danh Luu signed the documents. The four documents are considered as legal preparations for the resumption of through transport of cross-border railways, direct flights of airliners and maritime shipping service, and for the establishment of direct posts and telecommunications services, between the two countries, according to sources here. [sentence as received]

Also, the sources regard the four agreements as "a concrete step to further implement the spirit of the Sino-Vietnamese summit."

China and Vietnam have so far signed eight agreements since the summit last November. The other four are a trade agreement and a provisional agreement on controlling border affairs signed during the high-level Vietnamese delegation's visit to China last November, and two agreements on economic cooperation and mutual exemption of visa signed during Chinese State Councillor and Foreign Minister Qian Qichen's visit to Vietnam last month.

Earlier today, Chinese Vice-Premier Zhu Rongji met with Bui Danh Luu. Zhu voiced satisfaction with the expansion of bilateral ties in various fields, saying he expected to see further efforts made to tap the vast potentials and to push for continued advancement of Sino-Vietnamese friendly cooperation.

Jiang Zemin Meets Delegation

OW0903152292 Beijing XINHUA in English
1504 GMT 9 Mar 92

[Text] Beijing, March 9 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party (CPC) Central Committee, met here this evening with a delegation from the Communist Party of Vietnam (CPV), led by Le Phuoc Tho, member of the Political Bureau of the CPV Central Committee.

According to a Chinese official present at the meeting, Jiang said that Sino-Vietnamese relations have been developing smoothly since the relations between the two parties and the two countries were normalized in 1991.

The delegation is the first party delegation sent by the CPV to China after the Chinese and the Vietnamese communist parties restored relations.

Jiang said he believes that friendly contacts will benefit mutual understanding, friendship and co-operation between the two sides. He added that the increase of exchanges between China and Vietnam not only accords with the fundamental interests of the two peoples, but will be conducive to peace, stability and development of the Asian-Pacific region.

On China's domestic situation, Jiang said that no matter how the world situation changes, China will firmly stick to the party's basic line of making economic development the central task while adhering to the four cardinal

principles and persevering in the reform and open policy, as initiated by Deng Xiaoping.

Jiang said that China will stick to the reform and open policy, focus on the economic construction and will march along the road of socialism with Chinese characteristics.

Le Phuoc Tho, also chairman of the Commission for the Organization of the CPV Central Committee, said that he is pleased to visit China for the first time. He said that the relations between the two parties and the two countries have kept developing well since the high-ranking leaders of the two countries met last year.

From that time to the present, the two sides signed a number of important agreements, which have promoted the development of bilateral relations, Le said.

Le briefed Jiang on the economic construction and reform in Vietnam and his party's efforts to strengthen the party building.

In the meeting, Le also conveyed the regards of Do Muoi, general secretary of the CPV Central Committee, and Vo Van Kiet, chairman of the Council of Ministers of Vietnam, to Jiang. Jiang asked Le to send his regards to Do, Vo and other Vietnamese leaders.

Lu Feng, head of the Organization Department of the CPC Central Committee, and Zhu Liang, head of the International Liaison Department of the CPC Central Committee, were present at the meeting.

Qiao Shi Meets Lao Delegation, Praises Ties

*OW0603130692 Beijing XINHUA in English
1255 GMT 6 Mar 92*

[Text] Beijing, March 6 (XINHUA)—A senior leader of the Chinese Communist Party said here today that China pursues an independent foreign policy of peace, and is willing to develop relations with all other countries, including countries with different social systems.

Qiao Shi, member of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee, made the remark during a meeting with Maisouk Saisompheng, chairman of the Lao Front for National Reconstruction [organization name as received], and his party at the Great Hall of the People here this afternoon.

"We attach great importance to developing good-neighborly and friendly relations with the surrounding countries, based on the five principles of peaceful co-existence," Qiao said. He added, "You are an old friend of the Chinese people, and we welcome your revisit to China."

China and Laos enjoy a traditional friendship, said Qiao. He said he hoped that the two countries would further develop friendly relations of co-operation.

Qiao briefed the guests on China's domestic situation. He told them that China has made great progress in its economy as a result of the policies of reform and opening to the outside world in the past dozen years.

He said that the implementation of these policies will be speeded up. "The key point," Qiao stressed, "is that we will develop our economy in line with the principle of seeking truth from facts and China's actual situation."

He restated the importance of unity of all the country's nationalities and the freedom of religious belief. "China is now enjoying unity between its nationalities as well as political stability," Qiao said.

Maisouk Saisompheng said that he had made frequent visits to China for economic co-operation in the past. During his current visit he had found great changes in China, which encouraged him greatly, he said. He added that China's reform and open policy has proved to be correct.

The guests arrived in China March 1 at the invitation of the National Committee of the Chinese People's Political Consultative Conference.

State Councillor Li Returns From Asian Tour

*OW0803094092 Beijing XINHUA in English
0924 GMT 8 Mar 92*

[Text] Beijing, March 8 (XINHUA)—A Chinese education delegation led by State Councillor Li Tieying, who is also minister in charge of the State Education Commission, returned here this afternoon after a visit to the Laos, India and Sri Lanka.

The visit has helped strengthen China's friendly relations with the three countries and will prompt its educational cooperation and exchanges with them, according to delegation sources.

Near East & South Asia

Paper Comments on Sino-Israeli Economic Ties

*OW0703093592 Beijing BEIJING REVIEW
in English No 9, 2-8 Mar 92 pp 29-30*

[Text] E. Ze'ev Sufot, director of the Liaison Office of the Israel Academy of Sciences and Humanities, said that David Levy's visit to China has promoted the development of scientific, technological, economic and trade cooperation between Israel and China and demonstrated the great potential for future links between the two countries.

Since the establishment of the Beijing Liaison Office by Israel in 1990, according to Sufot, China has initiated contacts with Israel. Israel is narrow in territory and lacks natural resources, but possesses advanced farming methods and scientific technology. China is vast in territory and has a huge population, but its economy is relatively backward. At present, China is anxious to

import advanced foreign technology. Thus, the economics of the two nations are economically complementary and there is great potential for development of cooperation. Such joint action has focussed on agriculture and high technology, Sufot said.

In terms of agriculture, Israel has advanced irrigation technology and vast expertise in agronomy. At present, the Beijing Liaison Office has close contacts with the Chinese Ministry of Agriculture, Beijing Agricultural University and Chinese Academy of Sciences. Last May, for example, the two sides held a symposium on efficient handling of agricultural water resources.

The Liaison Office plans, to set up an advanced farm training centre in the suburbs of Beijing. Its aim is to introduce advanced technology and equipment from Israel and demonstrate how to use them.

Medical treatment is one important field of cooperation in the area of high technology. At present, however, it has been confined to mutual exchange of visiting scholars and the holding of international symposiums. Both sides are also very interested in the utilization of solar energy, biotechnology and laser technology.

China conducts no direct trade with Israel whose main trading partners are the United States and the European Community. In recent years, however, Israel's trade with Asian countries has been increasing every year. Israel's annual trade volume with Japan and Hong Kong is presently around US\$1 billion and US\$500 million respectively. Therefore, some economists predict that the prospects for Sino-Israeli trade are very bright following the establishment of formal diplomatic relations.

West Europe

Report Previews Qian Qichen European Tour

OW0703133192 Beijing XINHUA in English
1227 GMT 7 Mar 92

[Text] Beijing, March 7 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen is scheduled to depart late today on an official visit to Britain, Germany and the headquarters of the European Community commission in Brussels.

Observers here believed that the visit, following Premier Li Peng's visit to four West European nations about one month ago, is another major diplomatic activity of China toward further improving and developing its relations with West European countries.

Also, the visit is believed to be of great significance to increasing mutual understanding and mutually beneficial co-operation between China and West European countries.

During the visit, Qian is to meet with the leaders of Britain, Germany and the EC Commission and discuss with them bilateral relations and international issues of common concern.

Under the current turbulent world situations, analysts here said, to strengthen consultations and co-operation not only accords with the interests of the two sides, but will be conducive to peace, stability and development of the world.

In recent years, Sino-British relations have been gradually restored and improved through the joint efforts of the two sides. British Secretary of State for Foreign Affairs Douglas Hurd visited China last April. Prime Minister John Major visited China in September last year and China and Britain signed the memorandum of understanding on the Hong Kong New Airport, which set the principles and mechanism for further Sino-British cooperation during the latter half of Hong Kong's transitional period and marked a new stage of the over-all relations between the two countries.

In October last year, Vice-Premier Zou Jiahua visited Britain.

Last January, Premier Li Peng met with Prime Minister John Major when both were attending the summit of the United Nations Security Council.

Meanwhile, the relations in economic, trade, scientific and technological, cultural and other fields have also been growing steadily.

Sino-German relations are moving toward normalization. Last year, Vice-Premier Zhu Rongji and Zou Jiahua visited Germany. Later, German Minister of Economics Juergen Moelleman came here to attend the Seventh Plenary Session of Sino-German Joint Commission on Economic Co-operation.

Germany is China's largest trade partner in West Europe. The trade volume between the two countries in 1991 totalled 5.4 billion U.S. dollars. In addition to traditional trade, the economic co-operation also developed continuously. Incomplete statistics show that the two countries have conducted over 400 co-operative projects and there are over 110 Sino-German joint ventures here.

China and Germany have signed over 80 agreements in 24 fields including space flight and nuclear energy in the past decade and more. About 8,000 Chinese students are studying in Germany, which is the largest number in West European countries.

It is expected that new progress in political, economic, trade and other relations between China and the two countries would be made through Qian's visit.

The relations between China and the EC developed quickly after they established formal relations in 1975. The bilateral relations, despite some setbacks in the past

two years, have obviously been restored and developed through the efforts from both side.

Last year, Chinese Vice-Premier Zhu Rongji and Vice-Foreign Minister Tian Zengpi visited the EC Commission on invitation. Meanwhile high ranking officials from the EC Commission, including Vice-President Frans Andriessen, visited China.

According to the statistics by the Chinese customs, the total trade volume between China and the EC last year surpassed 15.1 billion U.S. dollars, about 10 percent up over the previous year. In February this year, the EC foreign minister's meeting in Lisbon made the decision to further co-operate with China following that public figure from EC countries have visited China [as received].

China has always attached importance to the EC position and role in international affairs, as well as to developing relations of friendly cooperation with the EC.

Meanwhile, China hopes that the efforts of the EC for pushing forward its political and economic integration would be conducive to peace and stability in Europe and the world, as well as to the healthy development of economic and trade ties between the EC and China and other Third World countries.

[Word indistinct] the principles of seeking common ground while reserving differences, mutual respect, non-interference in each other's internal affairs, equality and mutual benefit Qian is to discuss with the EC leaders bilateral relations and economic and trade ties for the purposes of increasing mutual understanding, friendship and co-operation.

Foreign Minister Qian Leaves for West Europe

To Visit Britain, Germany, EC

OW0703150492 Beijing XINHUA in English
1437 GMT 7 Mar 92

[Text] Beijing, March 7 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen left here tonight by plane on an official 7-day visit to Britain, Germany and the commission of the European Community.

Qian has been invited by British Secretary of State for Foreign and Commonwealth Affairs Douglas Hurd, German Federal Vice-Chancellor and Federal Minister for Foreign Affairs Dietrich Genscher, and the EC Commission.

He was seen off at the airport by Chinese Vice-Foreign Minister Jiang Enzhu, head of the EC Commission

delegation to China Pierre Duchateau, and diplomatic envoys of Britain, Germany and other countries involved.

Arrives in London

OW0803112192 Beijing XINHUA in English
1106 GMT 8 Mar 92

[Text] London, March 8 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen arrived in London today for an official visit to Britain.

Upon his arrival at London's Gatwick Airport, Qian was greeted by a special representative of British Secretary of State of the Foreign Office and Chinese Ambassador Ma Yuzhen.

On Monday, Qian will hold talks with British Foreign Secretary Douglas Hurd and meet with Prime Minister John Major at 10 Downing Street.

Qian's visit is part of a seven-day trip to Europe, including Germany and the European Community (EC), which will underline the importance of relations between China and Western Europe.

The Chinese foreign minister will, later on Monday, make a speech at the Royal Institute for International Affairs on reform in China and the relations between China and Britain.

During his stay in London he will also meet former Prime Ministers Edward Heath and Margaret Thatcher.

He will leave London for Bonn on Tuesday.

Praises 'Progress' in Ties

OW0803140792 Beijing XINHUA in English
1356 GMT 8 Mar 92

[Text] London, March 8 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen arrived in London today for an official visit to Britain.

Upon his arrival at London's Gatwick Airport, Qian said in a statement, "I look forward to holding talks with Foreign Secretary Douglas Hurd and meeting with Prime Minister John Major, which will enable us to exchange views on bilateral relations including the question on Hong Kong."

He said they would discuss "a wide range of international issues of mutual concern."

Qian, at the start of his seven-day European tour, will hold talks with Hurd and meet with Major at 10 Downing Street on Monday.

The Chinese foreign minister said, "I have come here for the purpose of enhancing mutual understanding and strengthening cooperation through friendly consultations."

"Although China and the United Kingdom are geographically far apart, the two countries enjoy long-standing

relations. Since the establishment of diplomatic ties, great progress has been made in our bilateral relations," Qian said.

"In the face of the current complicated international situation, China and the United Kingdom, as two permanent members of the U.N. Security Council, should intensify consultations, dialogue and cooperation on major international issues.

"This would not only serve our mutual interests but also contribute to world peace and development. We are ready to work with the British side in the effort to maintain the momentum in the improvement and development of our bilateral relations and further promote friendly relations and cooperation between us in various fields."

Qian said that he hoped his visit would achieve the anticipated results with the thoughtful arrangements of the host.

During his stay in Britain, Qian will also make a speech at the Royal Institute for International Affairs on the reforms in China and relations between China and Britain.

He will also meet former Prime Ministers Edward Heath and Margaret Thatcher.

The foreign minister will leave London for Bonn on Tuesday to continue his European tour, which will also take him to the headquarters of the European Community (EC) in Brussels.

Political & Social

He Jingzhi Reportedly Submitted Resignation

HK0703052892 Hong Kong Commercial Radio
in English 0400 GMT 7 Mar 92

[Report by Michael Weeks; from the "News at Midday" program]

[Text] Another hardliner in Beijing has been ousted in Deng Xiaoping's ongoing purge of conservatives opposed to economic reform. China's paramount leader has taken a more active role in government since his surprise tour of Shenzhen last month, when he reiterated the need for continuing economic liberalization along market lines. Michael Weeks reports:

[Weeks] He Jingzhi, the hardline minister of culture [title as heard], is the latest of the the old guards to be ousted in Beijing. The indications are that more will follow. He submitted his resignation after coming under fire from Deng in a recent internal speech. Deng accused the minister, who is also deputy chief of the Communist Party's Propaganda Department, for failing to give adequate publicity to his ambitious economic reform program. He came to office in 1989 after liberal author Wang Meng was forced to resign in the hardline backlash in China which followed the Tiananmen massacre, and he has since replaced reformers at magazines and cultural departments with conservatives. However, many of these are now expected to go, with major leadership changes expected at the Propaganda Department, the PEOPLE'S DAILY [RENMIN RIBAO], the Central Party School, and the Ministry of Broadcasting and Film.

Article Says Hardliners Slated For Purge by Deng

HK0803073592 Hong Kong MING PAO in Chinese
8 Mar 92 p 13

[By Chou Tieh (0719 6993): "Deng Whirlwind Mops Up Anti-Reform Camp, Senior Officials of the Culture Ministry and Propaganda Department Will Likely Be Fired"]

[Text] The strong Deng whirlwind that began to sweep across China from south to north early this year is mopping up the anti-reform camp. The several CPC departments in charge of propaganda, which have been serving as the strongholds of the conservative forces who are stubbornly upholding their hidebound ideology, have been shocked and rocked by the Deng whirlwind. Informed sources in Beijing anticipate that the several officials in charge of ideological affairs departments, well-known for their firm position against reform, that were criticized by name by Deng Xiaoping in his remarks during his recent south China tour, would hardly be able to escape from dismissal this time. Among

these officials are Wang Renzhi, director of the Propaganda Department of the CPC Central Committee; He Jingzhi, acting minister of culture; and Gao Di, RENMIN RIBAO director.

According to informed sources, around the Spring Festival this year, some RENMIN RIBAO staff members first heard about Deng Xiaoping's remarks. Thus, the "Deng Xiaoping Spirit" has been widely talked about in private among editors and reporters of the newspaper. Exchanging unofficial news has become the first topic of conversation between old colleagues and friends within the newspaper.

Meanwhile, Newspaper Review, a special column on the newspaper's internal bulletin board, which released few interesting items in the past two years or more, has manifested some animation recently.

RENMIN RIBAO on 23 February carried on its front page an article entitled "Opening Up to Outside World and Making Use of Capitalism," which was written by Fang Sheng, a professor of the People's University. Someone put up very soon the next day a poster under the Newspaper Review column on the bulletin board in RENMIN RIBAO to air views on the article. The poster author praised that article while complaining that for quite a long time he had not seen any good article like this published by RENMIN RIBAO. This is an implicit criticism against RENMIN RIBAO's performance over the past two years.

Then, on the third day, the former deputy editor-in-chief of RENMIN RIBAO OVERSEAS EDITION that was forced to retire ahead of schedule because of his involvement in the publication in the newspaper of a poem condemning Li Peng, also wrote to the column to praise RENMIN RIBAO for reprinting the SHENZHEN TEQU BAO [SHENZHEN SPECIAL ECONOMIC ZONE DAILY] editorial that publicizes the gist of Deng Xiaoping's remarks. "It has been a good tradition of RENMIN RIBAO to reprint good articles originally published in local newspapers, but someone (referring to Gao Di) said RENMIN RIBAO never has a good tradition," that author wrote, pointing the spearhead straight at Gao Di.

On the other hand, Gao Di, as a vanguard of the conservative faction and the RENMIN RIBAO director that is brave enough to offend Deng Xiaoping, has been found noticeably frustrated these days. During the 17 February RENMIN RIBAO annual review and commendation meeting, Gao Di, who should have addressed the meeting, chose to remain silent. RENMIN RIBAO held a meeting later to relay Deng Xiaoping's remarks made during his south China tour, Gao Di was not present to open the meeting. He showed up only halfway through the meeting. He told the meeting participants that only the version of Deng's remarks relayed by RENMIN RIBAO is genuine, while the other versions spread

outside contain a lot of untrue hearsay with a view to reversing the case of 4 June incident, which he said is absolutely not allowed.

Informed sources revealed that Gao Di recently told some people in private that he had never collaborated with Deng Liqun, the leftist king. This implies that he is trying intentionally to draw a demarcation between Deng Liqun and himself. It is said that recently, when talking about the editorial published by RENMIN RIBAO in last September that reminded people to query whether a reform is of "socialist" or "capitalist" nature, Gao Di claimed that he had already reached a common understanding with Li Ruihuan that the question concerning the "socialist" or "capitalist" nature of the reform should be shelved.

However, many of those who are familiar with the operation of the ideological and propaganda sector in Mainland China believe that Gao Di, as well as his fellows, including Wang Renzhi and He Jingzhi, who all have stubbornly stuck to their anti-reform position, would hardly be able to escape from dismissal this time, no matter how hard he is trying to shift his ground.

The informed sources pointed out: These representatives of the conservative force, Gao Di in particular, have wantonly stifled opinions for reform over the past two years. His deeds have already aroused indignation among many senior CPC leaders. Vice Premier Tian Jiyun had sent his own articles on reform to RENMIN RIBAO for publication, but Gao Di withheld them. Gao was once pressed so hard that he could no longer withhold a manuscript by Tian Jiyun from publication. So, he read over the article in 15 minutes, and then largely cut the 10,000-character article to not more than 3,000 characters and had it published in an unnoticed corner on page 3. Tian Jiyun, very angry at this, instructed the staff of his office to survey RENMIN RIBAO's article selection. They found out that articles propagating reform shared a still smaller proportion than sports items in RENMIN RIBAO's article selection last year.

The informed sources revealed that Deng Xiaoping and Yang Shangkun have long been dissatisfied with the performance of Wang Renzhi, Gao Di, and their ilk. It is said that staff members of Yang Shangkun's office contacted former RENMIN RIBAO editors-in-chief and directors Qin Chuan and Hu Jiwei late last year. They also approached Zhu Houze, former director of the Propaganda Department of the CPC Central Committee, and Sun Changjiang, former editor-in-chief of KEJI RIBAO. The staff members of Yang Shangkun's office told these people that there is an evil trend to repudiate reform and to reverse the case of the Cultural Revolution; and that some theoreticians, flaunting the banner against "peaceful evolution," are attempting to condemn the reform and opening up policy. Yang Shangkun's office staff said they would strike back at this evil trend when the appropriate time came. After that, during a meeting of the National People's Congress

Standing Committee, Qin Chuan reminded the participants that some people were trying to publicly reverse the case of the Cultural Revolution.

Jiang Tries To Revive Pre-Tiananmen Paper

HK0903050992 Hong Kong MING PAO in Chinese
9 Mar 92 p 4

[By Fang Chiung (2455 8825): "Jiang Zemin Was Rebuked by Two Sides While Trying To Restore Publication of SHIJIE JINGJI DAOBAO"]

[Text] Late last year, Jiang Zemin inspected GUANGMING RIBAO without notifying the newspaper office beforehand or publicizing the visit afterward.

At the newspaper's office, Jiang Zemin held talks with the chief editor and other members of the editorial committee of GUANGMING RIBAO for about an hour. After the 4 June incident in 1989, GUANGMING RIBAO abruptly discarded its tradition of providing a forum for intellectuals, again picked up the ultra-leftist mask it used to wear in the 10-year Cultural Revolution, and played the part of mouthpiece and hatchet man in suppressing demands for democracy and freedom. However, journalism has its own laws, and a newspaper has no coercive binding force. When it pulls a long face trying to teach people a lesson and plays the role of a docile tool of the government and the ruling party, the people may react in various ways. They may react as radically as the Beijing University students who burned RENMIN RIBAO, or may simply stop reading or subscribing to the newspaper. As a popular say goes, "one may avoid touching something if one cannot afford to challenge it." The circulation of GUANGMING RIBAO decreased from nearly 1 million copies before the 4 June incident to less than 100,000 at present.

The predicament of GUANGMING RIBAO shows that mainland readers, especially intellectual readers, are deeply estranged from and even antagonistic to the authorities. Jiang Zemin, as general secretary of the ruling party, also noted the seriousness of the problem. Some time earlier it was said that in order to wash his sin of disgracing Qin Benli and closing down SHIJIE JINGJI DAOBAO, Jiang Zemin tried to restore the newspaper because it would be in his political interest to do so since the newspaper, if it would make minor criticism and give major help, could play a role in holding down the influence of the ultra-leftist newspapers controlled by Deng Liqun and Wang Renzhi. So Jiang sent Ji Chongwei, managing director of the State Council's Economic Development Research Center and a former member of the board of SHIJIE JINGJI DAOBAO, and Wang Daohang, former honorary board chairman of SHIJIE JINGJI DAOBAO, to consult with the relevant institutions and personnel on the restoration of the newspaper, but the proposal encountered strong opposition from two sides.

On the one side, Wang Zhen and other stubborn conservative old men held that SHIJIE JINGJI DAOBAO must

not be allowed to resume publication because it committed such serious mistakes. Chen Zhili, deputy secretary of the Shanghai CPC Municipal Committee who was once nominated to be director of the CPC Central Propaganda Department, once met with Wang Zhen when attending a meeting in Beijing, and Wang Zhen told her: "SHIJIE JINGJI DAOBAO appeared nowhere else but in your Shanghai!" After that, the plan to appoint her to director of the central propaganda department was shelved. On the other side, the former personnel of SHIJIE JINGJI DAOBAO had different opinions on the plan to restore the newspaper, and most people held that if the newspaper was restored, it would still be unable to maintain its original style. "Under current circumstances, we will never be able to say what we want to say. We would rather keep our reputation as a broken piece of jade rather than act as accomplices to the authorities in defiling public opinion."

Jiang's effort was in vain, so he began to make a new contest in such newspapers as GUANGMING RIBAO. This time, he required GUANGMING RIBAO to publish in a more lively manner and to increase its attractiveness. When a question is discussed, the newspaper should not publish only one opinion. Under the premise of the "four cardinal principles," different opinions should be allowed to be aired.

Jiang's remarks were still a long way off from the pre-June 4 incident requirements by law for journalistic work and journalistic reform, and had no new meaning. Even so, some senior officials at GUANGMING RIBAO still held that Jiang's remarks were out of keeping with the policies for ideological control laid down by the CPC Central Propaganda Department. So they did not relay Jiang's instruction to the average editors and reporters in the newspaper office and did not publicly report it. Wang Renzhi and Xu Weicheng and company even dared to challenge and embarrass General Secretary Jiang Zemin, who is backed by Deng Xiaoping, thus making it difficult for Jiang to do anything. This shows that there will be a fierce contest of strength before the 14th CPC National Congress, and will force Jiang Zemin and Li Ruihuan to change the current situation of "leaning to one side" in public opinion.

Informed people in Beijing's upper stratum revealed that the proposed legislation on journalism that was revealed before the 4 June incident is now completely stalled. Observers pointed out that according to the changes in the Soviet Union, once problems concerning the overall political system are solved, the issue of journalistic freedom will be solved naturally. In this process, legislation may not play any significant role. Moreover, it is now impossible to formulate any decent "news law" in China. Of course, some people hold the opposite opinion. On this issue, we cannot foresee what lies ahead as there is heavy fog before our eyes.

CPC Not To Reinstate Zhao; To Abolish CAC
HK0903075492 Hong Kong HSIN PAO in Chinese
9 Mar 92 p 7

[Report: "It Is Difficult for Zhao Ziyang To Be Reinstated; Central Advisory Commission To Be Abolished"]

[Excerpt] The following news was learned by this newspaper's reporter from a source yesterday:

Deng Xiaoping's southern tour was prompted by disagreements about the special economic zones by conservatives in the CPC leadership following the changes in East Europe and the collapse of the Soviet Union. The conservatives equated the opening up and importation of foreign capital with peaceful evolution: reform equals structural change, equals nonpublic sector economy, equals oppressive class, equals breeding ground for peaceful evolution, and thus leads to the emergence of an ideological trend which is wary of "capital" and "opening up." The urgent situation and pressing issue thus compelled Deng to make a personal visit to Shenzhen and Zhuhai to see and draw comparisons for himself. This has nothing to do with a reported letter from the Central Advisory Commission [CAC] (sources claimed that the Central Advisory Commission's Vice Chairman Bo Yibo wrote an article in support of reform and opening up) nor with Chen Yun (Chen Yun has suffered from poor health in recent times).

Meanwhile, the central authorities have distributed document No. 2 on the remarks by Deng Xiaoping during his southern tour to the grass roots and have not encountered any attempts to block the distribution.

Deng Xiaoping's remarks during his southern tour could possibly affect promotions and demotions of personnel at the 14th CPC National Congress. The basic attitude of the central authorities is to judge by merit and achievements, to allow for democratic assessments regarding promotions and demotions, and to refrain absolutely from struggle, criticism, and transformation. Concerning the Zhao Ziyang issue, because Zhao is already 70 years old and suffers from heart disease, the likelihood of his reinstatement is very slim. But Zhao can move freely in Beijing and earns more than Jiang Zemin.

A political reform to be presented at the 14th CPC National Congress is the abolition of the Central Advisory Commission [CAC]. It was already announced at the time of its institution that the commission would be kept for only two terms. Hence, it is believed that members of the Central Advisory Commission will not be too shaken by the proposal. [passage omitted]

Article Views Deng's Fight With Conservatives
HK0603132392 Hong Kong HSIN PAO in Chinese
6 Mar 92 p 17

[Article by Jen Ching-wen (0117 0079 2429): "Deng Xiaoping Wants To Counteract Conservatives' Efforts"]

[Text] Beijing, 3 Mar (HSIN PAO)—Deng Xiaoping's call for upholding economic construction as the center and expediting reform and opening up, made during his southern tour on the eve the Spring Festival in 1992, has now become a nationwide opinion, and this indicates that the second peak of reform and opening up in China has already emerged. According to information, reform and opening up will become the main tone for the political work reports at the approaching Fifth Session of the Seventh National People's Congress [NPC], and at the 14th party congress, which will be held in autumn. Deng Xiaoping still has the main role affecting China's political situation, and his theory and line will still direct the CPC's activities.

Li Ruihuan Stops "Song of Quotations" From Coming Out of the Cage

After the 4 June incident, the anti-reform forces within the CPC emerged. At the end of last year, they continued criticizing the "theory of white cat and black cat" and the "changing color of opening up" on the one hand, and on the other hand, used the "Mao Zedong craze" to preach actively the "struggle against peaceful evolution," in an attempt to thoroughly restore Mao Zedong's ideas and, in essence, to negate the line of reform and opening up. An active preacher of this is Deng Lique, an "authoritarian theorist" who is called the "amateur general secretary." His speech on the "Mao Zedong craze" was carried by issue No. 12 of ZHONGLIU last year, in the form of an interview with the reporter from that magazine, and was later carried by GUANGMING RIBAO and other newspapers. Before this, a cassette tape which was called "Red Sun," which contained songs mostly from the Cultural Revolution period praising Mao, had become popular, and more than 1 million were sold. According to the information, the CPC Central Committee Propaganda Department planned to produce another "Song of Quotations From Mao Zedong," and to sell them before the Spring Festival, but was stopped by Li Ruihuan, a member of the Standing Committee of the Political Bureau, who is in charge of ideological work.

Seeing the uproar that was created by Deng Lique's "Mao Zedong craze," Deng Xiaoping revealed Deng Lique's "other intention" in the very beginning. During his southern tour, Deng Xiaoping said in Shenzhen that his persistent learning from Mao Zedong thought has enabled him to acquire the viewpoint of "seeking truth from fact." He said: I have engaged in socialism all my life, and learned from Mao Zedong all my life, and what I have learned is proceeding from reality. This is Deng Xiaoping's clear answer to "Mao Zedong craze."

Work Teams Have Been Sent to CPC Central Committee Organization Department

Deng Xiaoping's speech during his southern tour has a description of the opposition faction. Deng said: When we carry out reform and opening up, some people have reservations and different opinions; when we establish

special economic zones, some people are opposed to them and say that is to build many systems within one country; when we try to invigorate the economy, some people say we must prevent capitalism and fight corruption; and when we make clear that economic construction is the center, some people say that this is a problem of direction and an abandonment of Marxism-Leninism.

Although Deng Xiaoping revealed various kinds of anti-reform speeches, the opposition faction never stepped back but carried out a boycott. Information from Beijing says that in mid-February when Deng Xiaoping's southern tour speech reached provincial, municipal, departmental, and bureau cadres, a meeting of the Standing Committee of the Central Advisory Commission passed and issued a document entitled "The Current Direction of Development in China and Opinion on Several Policies," which is different from Deng Xiaoping's viewpoint. Bo Yibo, Song Renqiong, Deng Lique, and Hu Qiaomu all made speeches at the meeting, and only Bo Yibo held a different opinion. Here, we can see that the anti-reform forces are still very stubborn.

Where does this kind of anti-reform force come from? Information from Beijing says that on 20 February, CPC authorities sent work teams to the CPC Central Committee's Propaganda and Organization departments, the ministries of culture and education, the Central Party School, and RENMIN RIBAO. From this move we can see that the "four departments (ministries), one school, and one newspaper" have already been viewed as stubborn political forces trying to crush reform and opening up and intending to return to the old road, to the serious extent that work teams must be sent to them or else problems cannot be solved.

Deng Xiaoping Is Sure He Will Win By Going South

Precisely because the reform and opening might come to a premature end, Deng Xiaoping, as the chief architect of the reform and opening up, endured the hardships of a long southward journey in spite of his old age to make various strategic and personnel arrangements, and to clear the obstacles to the deepening of reform and expansion of opening up.

If Deng can come out personally, he certainly knows he is going to win. His purpose is very clear, that is, to solve the problem of line and of the leadership group which implements the line; for this reason, the first thing to do is to seize public opinion.

As for public opinion, before he went south, Deng Xiaoping once pointed out that "RENMIN RIBAO has carried many articles in the 'Cultural Revolution language,' causing a bad influence," and that "RENMIN RIBAO is not in our hands." He instructed Li Ruihuan, who was in Beijing, to "stir up public opinion for reform and opening up." However, public opinion for reform and opening up sought by Deng Xiaoping's trip to south China, first appeared in Shanghai, then Shenzhen, and then, Beijing. On 21, 22, and 24 February, RENMIN

RIBAO carried a commentator's article entitled "Earnestly Stop Formalism," and editorials entitled "Better Uphold Economic Construction as the Center" and "Be More Bold in Reform" respectively, which were carried by newspapers in the provinces, municipalities, and regions in the whole country at the same time, then, people began to feel that a nationwide public opinion for reform and opening up had taken shape.

According to information, these three articles were written by Chen Jinhua, director of the State Commission for Economic Restructuring, and Gu Mu, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, and Li Ruihuan was the person who gave final permission, indicating that reformist forces will gradually grab leadership over public opinion.

The 14th Party Congress Will Grant Title to Deng's Line

As for the line, Deng Xiaoping especially emphasized during his southern tour that the basic line of "one center, two basic points" formulated since the Third Plenum of the 11th CPC Central Committee must be stressed for 100 years, and this undoubtedly is to ask the 14th party congress to once again affirm this line, and to stress it for a long period to come; no wavering is permitted, no new tricks allowed, and certainly, no random subtraction, addition, or distortion.

It is expected that the 14th party congress will once again affirm this basic line which takes economic construction as the center, and that it might even officially name this line as "Deng Xiaoping line."

Information has it that to ensure that the 14th party congress will affirm Deng Xiaoping's line, the organizing committee, led personally by Jiang Zemin, general secretary of the CPC Central Committee, has already included four more persons: Ding Guangen (party), Zhu Rongji (government), Liu Huaqing (military), and Li Desheng (Central Advisory Commission).

Five Generals Including Song Ping Makes Self-Examinations

As for the leadership group, Deng Xiaoping offered some famous words during his stay in Shenzhen—reform and opening up is the only way out for China, not carrying out reform is a dead end; whoever upholds the reform and opening up should go onto the stage, and whoever is not carrying out reform and opening up should come down from the stage.

On 20 February, Deng Xiaoping said in Beijing again: It is normal and permissible for someone to have a different opinion on reform and opening up in the early period, but after 10 years of practice, which proved that it suits China's construction and development, and suits the self-perfecting socialist system, they keep opposing and obstructing, is this called conforming to the party? Is this the Marxist stand and viewpoint? This is a problem

of party principle among some party members, who should be criticized and condemned and leave the stage themselves.

Recently, Deng Xiaoping pointed out again that the party and people have the right to dismiss those who are opposed to reform and strip them of their titles.

It is very obvious that Deng Xiaoping has set the principle of personnel changes at the 14th party congress, and at the same time, given his successors a sharp sword which they can use to strike from their horses those opposing the reform.

This criterion, offered by Deng Xiaoping, is totally different from the early criteria stressing both ethic and ability, but inclining to ethic and selection of cadres by judging their performances in the 1989 storm. This is a major measure in the system of cadres and has greatly encouraged the reformist faction.

According to information from Beijing, after Deng Xiaoping made the decision that whoever does not engage in reform and opening up must step down, Jiang Zemin demanded at some meetings that Yao Yilin, member of the Standing Committee of the Political Bureau; Song Ping, state councillor; Chen Xitong, Beijing mayor; Wang Renzhi, head of CPC Central Committee Propaganda Department; and Gao De, director of RENMIN RIBAO, "take criticism and self-criticism as the mainstay," and they have carried out examinations. This indicates that this time Deng Xiaoping is very determined to pull down from their horses those who are opposed to reform and opening up and are stubbornly refusing to change.

Predictions Concerning Personnel Changes in the Core of Leadership

According to the new criterion offered by Deng Xiaoping for selecting cadres based on their attitudes toward reform and opening up, persons of political circles in Beijing predict that at the 14th party congress, the Political Bureau and even its Standing Committee will have some adjustment, in which new persons will replace the old, and new blood of reform will be injected. It is generally thought that Vice Premiers Zou Jiahua and Zhu Rongji, and Yang Baiding, secretary general of the Central Military Commission, will have the greatest possibility of joining the Political Bureau. According to the model in which Deng Xiaoping suddenly announced that Zou Jiahua, Zhu Rongji, and Qian Qichen would join the State Council's leadership group shortly before the NPC last year, it is very likely that Zou, Zhu, and Yang will join the Political Bureau before the 14th party congress. If Yao Yilin and Song Ping do not perform satisfactorily, then it would not be strange to see them walking out of the Political Bureau.

As for Li Peng, who is a member of the Standing Committee of the Political Bureau and State Council premier and the focus of attention at home and abroad, people think that because Deng Xiaoping has educated

him, and since the central work meeting at the end of September 1991, Li Peng has markedly changed his attitude, showing support for reform and opening up in speeches and deeds. Therefore, even though his image is not good, in light of Deng Xiaoping's usual principle of personnel balance, Li Peng might retain his post as a representative of the conservative force, thus, Deng Xiaoping can achieve the goal of splitting the conservative force and reducing obstruction to reform and opening up.

Deng Struggle Against Conservatives Described

OW0903020492 Tokyo KYODO in English 0145 GMT 9 Mar 92

[Text] Beijing, March 9 KYODO—China's senior leader Deng Xiaoping has launched a struggle against conservatives opposed to his reform-oriented policy ahead of a key party congress slated for the year-end, an informed source said Monday. Deng, who holds that a reform-oriented policy is the only way to ensure the survival of socialism in China, sharply criticized conservative leaders during his January visit to southern China.

He is also planning a reshuffle of the party's propaganda department, which is a stronghold of conservatives, the source said. The senior leader then plans to hold a preparatory meeting around August to draw up plans to ensure the promotion of reformist leaders at the 14th party congress at the end of this year, he added.

The source told KYODO NEWS SERVICE that the 87-year-old Deng decided to launch the struggle against the conservative elements in late December and January following a series of events. These include the December plenary session of the party Central Committee, which decided to start a campaign of "learning socialism" in rural areas nationwide, the criticism of reformist Politburo member Li Ruihuan by the Central Party School, another bastion of conservatives, and a call by 32 elder party members to abolish the special economic zones, which they called a threat to the socialist structure.

Deng was enraged by these episodes, saying that ideology cannot supply rice, and wondering if the conservatives wanted to repeat the turmoil of the Cultural Revolution, the source said. He fired the first shot in the campaign when he visited the southern coastal area of China in January, severely criticizing the ideologues, the source said.

The Army leadership, including President Yang Shangkun and his brother Yang Baibing general secretary of the party's Central Military Commission, have expressed their support for Deng's drive against the conservatives, according to the source. Some conservatives, however, have indicated that they consider Deng as out of touch with the times, and that they see no need to follow the orders of the retired leader, he said.

Hardliners Resist Relay of Deng's Tour Remarks

HK0703044592 Hong Kong MING PAO in Chinese 7 Mar 92 p 2

[By Chou Tie (0719 6993): "Deng Xiaoping's Remarks Relayed Through Central Document, Encounter Resistance From Conservatives"]

[Text] At present, Deng Xiaoping's important remarks during his travels in the south are now being relayed to party cadres in the form of CPC Central Committee's document No. 2 in 1992. However, some institutions controlled by conservatives who are opposed to reform have staged resistance to various degrees. The speed, scope, and details of relaying Deng's remarks have become the mainland's "political barometer" in recent days.

The CPC central leadership issued a circular on 28 February, saying that between 18 January and 21 February this year, Deng Xiaoping successively made important speeches in Wuchang, Shenzhen, Zhuhai, and Shanghai. The circular says that Deng Xiaoping's speeches are not only of great guiding significance for present reform and construction and for the successful convention of the 14th party congress, but are also of major far-reaching significance for the cause of socialist modernization as a whole. The CPC central leadership requires in the circular that Deng Xiaoping's remarks be relayed to entire party cadres at various levels and to the party rank and file from top to bottom as quickly as possible.

On 1 March, the CPC central document No. 2 was issued. Before that, on 12 February, Jiang Zemin relayed Deng Xiaoping's speeches during his travel to the south to an enlarged meeting of the Political Bureau. Deng's remarks were then orally relayed to cadres at and above the ministerial, provincial, and army level. Members of the National People's Congress [NPC] Standing Committee and the Chinese People's Political Consultation Conference's [CPPCC] National Committee Standing Committee, who enjoy the same political rights as cadres at the vice-ministerial level, also learned about Deng's speeches.

Because Deng Xiaoping stressed the need to firmly carry out reform and opening up and criticized the conservative thoughts and formalism inside the party, some conservative leaders obstructed the relay of Deng's remarks to different degrees and in various forms in the institutions under their control. So, how quickly Deng's remarks were relayed in how big a scope and whether the remarks were relayed in detail became the latest "political barometer" in China.

Reportedly, before central document No. 2 was officially issued, there were five different "versions" of Deng Xiaoping's speeches, namely, the "NPC version," the "central organs' version," the "Army version," the "CPPCC version," and the "Beijing Municipality's version." It is said that the NPC, central organs, and Army

versions relayed more details of Deng's speeches. In particular, Deng's critical and discontented remarks against the conservative force were relayed to senior cadres exactly as they were. The NPC Standing Committee also relayed Deng's remarks that criticized the conservative leaders in charge of the ideological work in the last two years by name; and when the central organs relayed Deng's remarks to the leading cadres, it was said that Deng mentioned the economic achievements attributed to reform and opening up and mentioned Hu Yaobang and Zhao Ziyang when talking about the issue of bourgeois liberalization.

Beijing Municipality and the CPPCC were most negative in relaying Deng's speeches. For example, when some central organs had already relayed Deng's remarks to cadres at the bureau level or even to ordinary party members, the Beijing Municipal CPC Committee and the municipal government did not let their cadres at the bureau-chief level to know about Deng's speeches.

It is said that CPC central document No. 2 issued on 1 March was somewhat different from what was relayed orally. For example, the document did not carry Deng's bitter remarks such as "those who vacillate and fail to adhere to the road of reform and opening up should quit office" and "some people are always opposed to the policy of reform and opening up and have opposed reform more than once." Obviously, the CPC central leadership did not want the party rank and file to have an impression about the intensification of the struggle among the party's top leaders.

Deng Tour Prompted by Call To Abolish SEZs

HK0603125892 Hong Kong MING PAO in Chinese
6 Mar 92 p 2

[By Chou Tieh (0719 6993): "Some Central Advisory Commission Members Submit Written Statement to Central Committee Calling for Abolition of Special Economic Zones"]

[Text] The fact that Deng Xiaoping, the CPC leader at the advanced age of 87, made a sudden southern inspection tour before the Spring Festival and delivered a series of talks on adhering to reform and opening up to the outside world gives one much food for thought. According to a reliable source, some Central Advisory Commission members submitted a written statement to the Central Committee calling for the abolition of the special economic zones [SEZs] "practicing capitalism." This turned out to be the direct factor which prompted Deng Xiaoping to make the tour.

Since the 4 June incident of 1989, the reform forces within the CPC have suffered a setback and the conservative forces have gained ground. Moreover, an "improvement and rectification" drive was launched in the economic field and reform and opening up to the outside world as such, have been in a state of semi-stagnation. It has been reported that Deng Xiaoping, who has not assumed any post since the incident, was

extremely dissatisfied with this state of affairs. At the end of last year, he said to Jiang Zemin and Li Peng: "We should carry out reform in a genuine, not reckless, manner. Do not deceive me."

A source said: At the beginning of the year, 10 members of the CPC Central Advisory Commission submitted a joint letter accusing the SEZs in the coastal areas of practicing capitalism and being capitalist in nature, terming them hotbeds for "peaceful evolution," and urging the CPC high-level decisionmaking body to scrap them. After reading the letter, Deng Xiaoping was extremely enraged and, two days later, he went to the South with his family and revisited the Shenzhen and Zhuhai SEZs, which he had visited eight years previously. He delivered a series of important talks on adhering to the CPC's basic line with economic construction as the center and reform and opening up to the outside world, thus setting an example by personally taking part in meeting the challenge thrown down by the anti-reform forces within the party.

On the way to Guangdong, Deng Xiaoping delivered his first talk on his southern tour at Wuchang Railway Station on 18 January. He emphatically said that the "one center (taking economic construction as the center) and two basic points (adherence to reform and opening up and the four cardinal principles)" should be stressed for 100 years, a line formed since the Third Plenary Session of the 11th CPC Central Committee. He also sternly criticized formalism which does nothing concrete. What was rare was that, after finishing his talk, he asked Guan Guangfu, secretary of the Hubei Provincial CPC Committee, to "convey" what he had said to CPC General Secretary Jiang Zemin and Premier Li Peng.

The source said: What Deng Xiaoping said during his current southern tour was, in fact, what he had said as early as last year when he spent the Spring Festival in Shanghai. At that time, thinking not at all about Deng Xiaoping, the conservatives who controlled the ideological departments gave no publicity to reform and opening up but published and criticized Deng Xiaoping's original remarks in the publications under their sponsorship.

According to the source, this year the "Deng whirlwind" managed to take shape and his talks were transmitted to lower levels in the form of a central document, entirely because the military made known its position of firmly supporting reform and opening up and Deng Xiaoping's line. The powerful military support was manifested mainly in the fact that CPC elder, Yang Shangkun, and Central Military Commission General Secretary Yang Baibing, took a clear-cut stand in support of Deng Xiaoping.

It has been learned that in November last year, after RENMIN RIBAO published an editorial entitled "Is Reform 'Socialist' or 'Capitalist' in Nature?" and openly contradicted the directive and criticism by Li Ruihuan, CPC Central Committee Political Bureau Standing

Committee member, Yang Shangkun personally queried the newspaper about its intentions. Thus, the conflict calmed down temporarily. On the other hand, Yang Baibing, concurrently director of the General Political Department of the People's Liberation Army, also called in Shao Huaze, formerly in charge of JIEFANGJUN BAO and currently RENMIN RIBAO's editor-in-chief and warned him: "Although you do a civilian job, you are still a member of the military. You must keep Gao Di (RENMIN RIBAO director) and others at arms' length."

It has also been reported that at the All-Army Political Work Conference held in Guangzhou in September last year, presided over by Yang Baibing, although the question of how the Chinese Armed Forces would meet an emergency after the Soviet 19 August coup was discussed, opposition to "peaceful evolution" was not listed as a main topic on the agenda. This clearly showed that the army closely followed Deng Xiaoping's line.

Deng Sees Leftism as 'Main Dangerous Tendency'

HK0703044692 Hong Kong MING PAO in Chinese
7 Mar 92 p 2

["Special article" by staff reporter: "Deng Says: 'China Should Guard Against Rightism, But More Important, Should Prevent Leftism'"]

[Text] Although overseas newspapers have revealed a great deal of Deng Xiaoping's remarks during his inspection tour of the south, the recently published CPC central document No. 2 revealed many of Deng's remarks that had been known to few people.

It is learned that Deng Xiaoping pointed out in his speeches that "Leftism" remains the main dangerous tendency inside the CPC. Deng Xiaoping said: "At present, some Rightist things are affecting us, and some Leftist things are also affecting us. Some of the Leftist things are profound. Some theorists and politicians used serious charges to intimidate people. They do not represent 'Rightism' but 'Leftism.' 'Leftism' carries the color of revolution. It seems to them that being 'Leftist' is equal to being revolutionary.... Rightism may ruin socialism, so may 'Leftism.' China should guard against Rightism, but should mainly guard against 'Leftism.' Rightist things do exist, and the turmoil was Rightist in nature! 'Leftist' things also exist. Some people denounce reform and openness as introducing and developing capitalism, and hold that the main danger of peaceful evolution comes from the economic field. This is 'Leftism.'"

In his speeches, Deng Xiaoping also stressed the importance of grasping the opportune moment to develop the economy. Deng Xiaoping said: "We must grasp the opportunity to develop ourselves, and the key is to develop the economy. At present, economic development in some neighboring countries and regions is faster than ours. If we do not develop or develop too slowly, trouble will occur if the common people make comparisons. It is necessary to grasp the opportunity. A good

opportunity exists at present. I am afraid that we may lose this opportunity. If you do not seize it, you may lose the opportunity you have seen. Time elapses easily."

Deng Xiaoping prominently affirmed the achievements of China's accelerating economic development between 1984 and 1988 (when Zhao Ziyang took charge of the government work). He said: "The accelerating economic development in those five years can be called a kind of leap, but it was different from the Great Leap Forward, because it did not harm the overall development mechanisms and functions. The accelerating development in those five years was a great credit. This is my evaluation. The later economic adjustment and rectification also achieved results, but its credit is merely stabilizing the situation. If there was no leap in those years, the economy would not have been able to rise to a new stage, and the adjustment in the later three years would not have been so smooth."

Deng Xiaoping also particularly mentioned Shanghai's economic development. He said: "Shanghai has obvious advantages in the aspects of personnel, technology, and management, and may have widespread influence. In retrospect, one of my major errors was not to include Shanghai when setting up the four special economic zones. Otherwise, the Chang Jiang Delta and even the entire Chang Jiang valley and the overall situation of reform and openness in the whole country would have been quite different."

Deng Xiaoping also reiterated that intellectuals constitute part of the working class. He hoped that Chinese students studying in foreign countries would return to China after completing their studies. He said: "I hope that all people studying abroad will return. Regardless of the political attitudes they held before, they will be properly assigned after returning to China. This policy cannot change. We should tell them (the students studying abroad) that in order to make contributions, it is still better to return to the motherland."

When talking about public order, Deng Xiaoping praised Singapore and said: "Guangdong should catch up with the four little dragons in Asia in 20 years, not only in terms of boosting the economy, but also in terms of improving public order and public conduct. Singapore is very successful in keeping good social order, and they manage the public order in a strict way. We should learn from their experience, and should do a better job than they have done."

'Gist' of Deng South Tour Speech on Reform

OW0603204392 Taipei LIEN HO PAO in Chinese
2 Mar 92 p 1

["Gist" of speech by Deng Xiaoping made during a tour of south China "early this spring"; first two paragraphs are editor's foreword]

[Text] Teng Hsiao-p'ing, paramount leader of the Chinese Communist authorities, visited south China early

this spring, beginning in Wuhan. The speech he made during this tour, in which he commented on reform and opening up, as well as on the CPC's democratic dictatorship, is the most important policy speech he has made since the Third Plenary Session of the 11th CPC Central Committee. The document has also been transmitted to grass-roots authorities as a highly classified document of the CPC Central Committee. The document has six major parts, focusing primarily on the need to stabilize the Chinese Communist regime through economic measures, saying that, if need be, even military force should be used to ensure political and economic order. For long-term interests, Teng Hsiao-p'ing again urged elderly people to step down voluntarily so that younger people can take over.

There are consistencies and inconsistencies in the document. For example, it refuses to discuss the socialist or capitalist nature of the current policies, and it even proposes to use dissidents living in exile to make up for shortages in able personnel. This shows that Teng is desperate to save the regime. He knows that without reforms, the road ahead would be just a blind alley; but he also does not want to discredit and renounce his regime because of reform. Gist of the document follows:

(Part 1)

When I visited Kuang-chou in 1988, it had just gotten started with its urban and economic reforms. I revisited the city not long ago; I never realized that its growth could take place that fast. My visit has increased my confidence. We used to say that socialism could liberate productive forces, but we never said that reform and opening up could also liberate productive forces. As a matter of fact, the basic line being followed in our reform and opening programs is none other than the line, characterized by one center and two basic points, that we have been following since the Third Plenary Session of the 11th CPC Central Committee. We cannot afford to waver during the reform and opening up. If we do not reform, develop the economy, or improve the people's livelihood, the road ahead would simply be a blind alley. If we change the principles and policies of our basic line, the people would not support us and we would be overthrown at any time. I have said several times that we would not have a future unless we uphold this line.

I can say that we could not have survived the "4 June Incident" if achievements had not been made in our reform and opening programs. If we had not survived the incident, there would be chaos, and a civil war would occur. That was the case during the "Cultural Revolution." The fact that our country still can enjoy stability after the "4 June Incident" is because we have embarked on reforms and opened to the outside world. This has boosted our economic development and improved the people's living conditions. It is also because the armed forces and our sovereign state have safeguarded this line, system, and policy. We should have even faster growth in the next decade or so to prove that the principles and policies adopted by the Third Plenary Session of the 11th

CPC Central Committee have been correct, and nobody can change them even if they wanted to.

The Eighth Plenary Session of the 13th CPC Central Committee was a success. It retained the contract system whereby remuneration is linked to household output. This is very important. Should we have wavered on that, people would worry and would say that the CPC has changed its policy. We could not waver, and we would have made mistakes if we did. There are many other similar problems which can upset our policies and our reforms as a whole if these problems are not properly handled. Thus, urban and rural reforms must be stabilized on a long-term basis. Certainly we should revise our policies to deal with problems which appeared during the early stage of reform and opening; but even when we have new and revised policies, we should not abandon the old ones. When we have policies, the CPC will have great hopes.

(Part two)

Our reform and opening up programs should leap forward with big strides. We should experiment bravely. We should not proceed slowly like women with bound feet. We must experiment, blaze a trail, and press forward boldly.

One important experience that Shenchén has gained shows that it would not have opened a path if it did not have a bit of an adventurous spirit or the spirit to blaze a trail and experiment boldly.

Reform and opening up programs cannot be absolutely fool-proof, nor must everything be 100 percent correct. Even I have never been able to achieve this. We must sum up our experiences each year, and must uphold those that are correct, correct those that are incorrect, and take prompt actions to solve problems.

I am afraid that our reform and open programs must go on for three or four more decades. Thus, we must be firm with our policies. We keep gaining more experiences in building a socialist society with Chinese characteristics. This society must have distinctive characteristics, and we must be creative.

There have been all sorts of arguments relevant to reforms and openness. Basically these arguments stem from worries that reforms and openness are capitalist, not socialist, in nature. To judge whether socialism still has a future development, the criteria set for the productivity of a socialist society should be based on whether a socialist state can improve the living conditions of its people. Take the establishment of the special economic zones, for example. There were different views from the very beginning. Now we can see that Shenchén's achievements are obvious. Its projects are not totally publicly owned, because one-fourth of them are foreign-funded. But it obtains revenue and a fair amount of labor services from these foreign-funded projects. We should not be afraid of setting up more joint ventures and cooperatives and foreign-funded enterprises. We still

have large and medium-sized state enterprises and rural enterprises. More importantly, the political power is in our hands.

Some people say that when foreign capital increases, so does capitalism; and that when there are more joint ventures and cooperative and foreign-funded enterprises, there will be more capitalism, and they will have promoted capitalist development. These people do not even have common sense.

Foreign businessmen must make some profits as allowed by our policies and regulations during the current stage of reform. But our state has lots of revenues, our workers can bring home wages, we can learn technology and management, and we can also open up more markets. Thus we can only benefit from these joint ventures and cooperative and foreign-funded enterprises because they are restricted by political and economic conditions.

Capitalism and socialism have no direct bearing on the planned economy and the market economy. A planned economy does not necessarily imply socialism; capitalist countries also have planned economies. A market economy does not necessarily imply capitalism; a socialist country also needs a market economy. The planned economy and market economy are both economic measures. Socialism's real nature is to liberate the productive forces, and its ultimate goal is to achieve common prosperity. We must uphold what is right and correct what is wrong. In short, socialism should have the strengths with which it can compare itself with capitalism.

The idea of achieving common prosperity is: We should let those places with the resources develop first, and those places without resources develop later; those places which have developed first should help the places without resources to develop and eventually achieve common prosperity. We are not going to make the rich richer and the poor poorer. There should never be polarization. Those who have become affluent first should pay more taxes and help other areas develop.

It is normal that people would have different views about reform and opening up programs from the very beginning. But if we do not have the courage to try, we cannot achieve anything. There are also Leftist and Rightist problems. "Upheavals" are Rightist problems. There are also Leftist problems. People with these problems claim that capitalist development is the result of reform and opening up, and that "peaceful evolution" comes from our economic system. We must remain clear-headed lest we commit major mistakes.

(Part three)

Economic development is the major goal of our reform and opening programs. Economic development in neighboring countries and regions is now faster than our own, and so if we do not have development, or if our development is slow, our people will complain as soon as they make a comparison. Thus, whenever development is

possible, we should not obstruct it. We should do as much as we can to speed up development, and we should pay attention to efficiency and quality. We should seize every opportunity for fast development. There are good opportunities right now, and if we fail to seize these opportunities, they will disappear within a short time. Our reforms should not be unrealistic. We must also pay attention to coordination.

For example, Kwangtung wants to catch up with the Asia's four little dragons in 20 years, but it can catch up with them sooner if it speeds up its development. Shanghai is completely capable of achieving faster growth, and the four special economic zones, the Ch'ang-chiang Delta, and even the whole country will be different if they make an effort to catch up. We must speed up reforms, starting now.

Science and technology are the primary productive forces. We must count on science and technology in promoting economic development. We would not have achieved such fast progress in the past several decades had it not been for science and technology, and so we must speed up our scientific and technological development. China must become a country to be reckoned with in this world. Although China was quite poor in the past, thanks to the contributions made to the country by people like Chien Hsueh-sen [Qian Xuesen] and Chien San-chiang [Qian Sanqiang], the achievements China made received worldwide attention. China is in much better shape now as result of reforms and opening to the outside world, and we have to count on these scientists even more. All scientists, be they old, middle-aged, or young, are important. They all are eager to develop productive forces through science and technology.

I hope all students studying abroad will return home. They can return, regardless of their previous political attitude. After they return, the state will place them. This policy shall not be changed. We should tell them that this is the right time for them to come back to perform practical services and to contribute to the country's scientific and technological development. The newer and the more sophisticated their development projects are, the better it will be; when our country prospers, I will be pleased, the people will be pleased, and the state will be pleased.

(Part four)

While we carry out reforms and open up to the outside world, we should also crack down on all sorts of crimes at the same time. Both projects are important. We cannot afford to be soft-hearted when we crack down on crime and wipe out all sorts of sordid phenomena. When Kwangtung tries to catch up with the Asia's four little dragons in the next 20 years, not only should it strive to build a stronger economy, but it should also improve its public order. Only when both issues are properly handled can there be a socialist society with Chinese characteristics.

After opening to the outside world, certain sordid phenomena, such as drug addiction, prostitution, and economic crimes, have appeared in some places in China. We must crack down firmly on these phenomena. By no means should we let them develop freely.

After the founding of New China, these and other vices were wiped out within only three years. Many countries, including capitalist countries, could not have done that. Facts proved that our Communist Party can wipe out sordid phenomena. Thus, while carrying out reform and opening to the outside world, we must also deal with crimes at the same time. We should do things according to law, and when people are law abiding, we can promote socialist ethics.

Historical experiences show that we must consolidate our political powers through dictatorship measures. We should let people enjoy democracy, but we must exercise dictatorship—people's democratic dictatorship that is—over our enemy. With the strength from people's democratic dictatorship, consolidating the people's political power is justified and there is nothing that cannot be decided.

We have been engaged in socialist construction for several decades, but the construction is still in its initial stage. The project of consolidating and developing the socialist system requires the unremitting efforts of people of several generations, even dozens of generations, and so we must never approach this matter lightly. We Communists have yet to accomplish our historical missions.

(Part five)

Can we continue to carry out socialist reforms with Chinese characteristics? I think that "people" are the key factor which determines whether we can achieve fast economic growth and long-term stability in our country. To achieve their "peaceful evolution" in China, capitalist countries have placed their hopes on Chinese people of the next several generations. Thus, not only people of this generation must be good, people of the third, fourth, and fifth generations must also be good. That is why we must build an effective dictatorship apparatus and do a good job in training Communist Party members.

China's problems will still stem from the Communist Party. We must pay attention to training successors to the revolutionary cause. When we select leaders, we should do so on the basis of the four requirements, namely: these leaders must be revolutionary, educated, younger in average age, and professionally competent. We should never select them on the basis of our personal preferences. We said that our party's basic line should have long-term stability. We must count on this. People trained to become leaders must be able to express the party's will firmly. This has a true bearing on the overall situation.

When people get old, their memories weaken, they become stubborn, and they fear making mistakes. We should be aware of this.

Communists cannot be defeated. "Seeking truth from facts" is the principle which our Communist Party upholds. This was what we counted on when we did battle in the past, and this is what we count on in expediting economic development today.

(Part six)

I think more people in the world will identify with Marxism because Marxism reveals the law of development of mankind. Some people say that, according to the laws of socialism and capitalism in the development of mankind, Marxism will disappear and become the underdog. There is no possibility of this! Socialist China should work hard to demonstrate its opposition to hegemonism. China is the bulwark of socialism, and it will continue to build itself into a socialist society with Chinese characteristics.

We should know that the development of capitalism has gone on for several centuries. How long have we engaged in socialist development, let alone that we have also delayed ourselves for 20 years? If, immediately after the founding of the republic, we can build China into a developed country over a period of 100 years, it would be a very phenomenal feat. We have very heavy responsibilities and burdens to shoulder from now until the middle of the next century.

Hong Kong Journal Views Deng's Guangdong Tour

HK0903115392 Hong Kong TZU CHING [BAUHIHIA MAGAZINE] in Chinese No 18, 5 Mar 92 pp 6-10

["Special commentator's" article: "Spring Has Come—Talking From Deng Xiaoping's Inspection Tour of Guangdong"]

[Text] Spring came early to the vast land of southern China at the very beginning of the Year of the Monkey. From 19 to 29 January, Deng Xiaoping, already 88, made an inspection tour of Guangdong. He inspected Shenzhen and Zhuhai Special Economic Zones and some cities and counties in the Zhu Jiang Delta over 11 days. Deng Xiaoping is the general architect of the CPC's reform and opening up project. Since he retired in the winter of 1989, he had been living a secluded life. But this time, he came southward to the forward position in opening up to the outside world, appeared on public occasions, and made many remarks throughout his journey. This was really an extraordinary event on the eve of the 14th CPC National Congress.

Construction of the Special Economic Zones Develops Vigorously; Deng Xiaoping Redoubles His Confidence

As everyone knows, the supreme policymaker of China's special economic zones is none other than Deng Xiaoping. In April 1979, after listening to a report of the

person in charge of the Guangdong Provincial CPC Committee at that time, Deng Xiaoping said: We can designate a certain place as a special zone. The Shaanxi-Gansu-Ningxia region was also a special zone. The central authorities have no money. You must develop it all by your own efforts. In August the following year, the National People's Congress Standing Committee adopted and promulgated the "Regulations on Guangdong's Special Economic Zones," indicating the birth of China's special economic zones. At the beginning of 1984, Deng Xiaoping inspected the southern special economic zones for the first time. He was extremely glad to see the prosperous situation there and said: "Shenzhen's construction is developing quickly, especially the construction of Shekou. The reason is that they have been given some power." The remarks made by Deng Xiaoping on these two occasions spelled decisive support for the special economic zones. Now the special economic zones have already grown into teenagers. It was already eight years between Deng Xiaoping's last inspection and the inspection this spring. What were his impressions then?

Deng Xiaoping arrived in Shenzhen on 19 January. Immediately after getting off the train, he excitedly toured the city and visited Huanggang Port by car. On the following day, after visiting the Xianke Company, which is a laser disc company, he went to the revolving restaurant at the top of the 50-storey International Trade Building to look at the new face of Shenzhen, where there is a forest of high-rises. In Shenzhen, he also visited the Xianhu Botanical Gardens, the "China Ethnic Cultural Village" and the miniaturized "Beautiful China" built by Hong Kong's China Travel Service Limited. On his way to Zhuhai by ship, he inspected the Shekou Industrial Zone and Chiwan Harbor. He stayed in Zhuhai for a week. With great interest, he visited a biological pharmaceutical factory, an imitation control system project, and other high-tech enterprises as well as the Jianghai Electronics Company. He also inspected the streets, travel facilities, and industrial, residential, and commercial areas of the city. He spoke highly of this beautiful coastal city, which has a rich modern flavor. On his way back to Guangzhou, he inspected Zhongshan, one of the "four small tigers in Guangdong," Shunde, and other cities and counties. He was very excited to see the prosperous scene in the Zhu Jiang Delta. He stayed in Guangdong for a long time, took part in many activities, and made many remarks during his inspection. All this shows that at his advanced age of 88, Deng Xiaoping is still healthy and quick in thinking and still cherishes high aspirations.

In his remarks made during the South China tour, Deng Xiaoping appraised highly the achievements and experiences of reform and opening up and the construction of the special economic zones. As the construction of the special economic zones is just an experiment, nothing but practice can be most convincing. It proves that the special economic zones are not surnamed "zi [capitalism]," but are surnamed "she [socialism]." It is not risky

to have more Sino-foreign joint ventures and more wholly foreign-owned enterprises in the special economic zones, because they can serve socialist construction. In the future, only by speeding up the pace of reform and opening up can we achieve a faster development speed. Only by maintaining a certain development speed can we promote economic construction as soon as possible. The special economic zones and the Zhu Jiang Delta must be developed even faster. Deng Xiaoping hoped that the special economic zones would make greater efforts to develop high-tech industries. The newer, the higher, and the more the better. He expressed appreciation for Zhuhai's efforts to recruit talent from everywhere, especially its efforts to attract students studying abroad to return to the motherland and make contributions to the construction of the special economic zone. He pointed out that it is necessary to create conditions for and enthusiastically welcome back the students who are studying abroad. Only in the motherland can they give fuller play to their talent.

As the general architect of the CPC's reform and opening up project, Deng Xiaoping has vigorously promoted China's stability and development. In my opinion, the most daring and creative breakthrough Deng has made is reform in the economic field. First, he abolished the people's commune system in rural areas and adopted the system of contracted responsibility on the household basis with payment linked to output. Second, he established special economic zones in China's coastal areas. The rural reform, with popularization of the system of contracted responsibility on the household basis with payment linked to output as the main task, has greatly promoted the overall development of the rural economy over the past 10 years or more. It has brought about unprecedented prosperity to the markets in cities and towns and laid a solid foundation for political stability. During his South China tour, Deng Xiaoping saw with his own eyes that his blueprint for construction of the special economic zones had been turned into reality and that there was prosperity everywhere. Obviously, his confidence in reform and opening up was further strengthened. He firmly believes that building socialism with distinctive Chinese characteristics is the only way to rejuvenate China. In Deng's eyes, under the current conditions, China can maintain stability and development and stand firm amid change only by practicing socialism and carrying out reform and opening up to the outside world. Otherwise it has only a blind alley. It is reasonable that Deng's confidence was strengthened after his South China tour.

Special Economic Zones' Experience of "Blazing New Trails" Is Affirmed, People Are Urged To Continue To Make Bold Explorations

After the violent changes in East Europe and the disintegration of the Soviet Union, some people said with certainty that there were only two roads for the CPC: To follow the East European countries and the Soviet Union and fall from power, or to close its doors. Facts have proved their judgment entirely wrong. At present, the

political situation in the mainland is stable, the economy is developing, and the livelihood of the urban and rural people is continuously improving. The fundamental reason for this is that the CPC has implemented in an all-round way the basic line of "taking economic construction as the center, upholding the four cardinal principles, and adhering to reform and opening up" which was initiated by Deng Xiaoping, and has taken the road of building socialism with distinctive Chinese characteristics. According to Deng Xiaoping, this basic line should be implemented for dozens of years, or 100 years, and should not be changed. The contrast between the decline of the Soviet Union and the prosperity in China, especially the rapid development of the coastal areas, made Deng's conviction even firmer. For this reason, Deng reiterated that China is still in the initial stage of socialism and its central task is to develop the productive forces. In order to develop the productive forces, it is necessary to carry out bold reforms and open up to the outside world. Upholding the four cardinal principles is not contradictory to reform and opening up but is the necessary prerequisite and condition for their smooth development.

Deng Xiaoping was satisfied with the development of the Shenzhen and Zhuhai Special Economic Zones and the Zhu Jiang Delta over the past eight years. At the same time, he put forth some strict demands on them. For example, the special economic zones must strengthen the building of spiritual civilization and take strong measures against economic crimes and other criminal offenses and eliminate disgusting phenomena such as prostitution and drug-taking. But, in general, he encouraged people to make bold explorations. He said: In the final analysis, the experience of the development of the special economic zones is to "blaze new trails." The capital for the development of the special economic zones was not great. The "policy" has played a decisive role. We must dare to make experiments on the policies and methods that are conducive to economic development. If they are proved to be successful, they must be continued. If they are unsuccessful, we must conscientiously draw lessons from them and change them.

In my opinion, these remarks fully displayed his consistent style of dealing with concrete matters relating to work and his high sense of responsibility to the state. As everyone knows, Deng joined the revolution long ago and has experienced many vicissitudes in life. He has a firm conviction in socialism. He always emphasizes that the communist parties of various countries must proceed from the realities of their own countries to explore the road of building socialism so that their people can live prosperous and civilized lives. Over the past year or so, great changes have taken place in the international communist movement. But the main subject facing the CPC is still to proceed from China's realities in face of the international changes to consolidate and develop the socialist system. Through the practice and exploration over the past decades, Deng Xiaoping has given a very definite answer: Emancipate the mind, seek truth from

facts, and proceed from reality in all cases rather than having blind faith in books, and firmly follow our own road in building socialism with distinctive Chinese characteristics. In my opinion, this conclusion drawn by Deng Xiaoping from the abundant political experiences of the CPC and himself and from an analysis of the changing situation of modern international relations is a profound and wise conclusion. Any politician who has a high sense of responsibility toward the people and history will certain hold firmly to the methods and strategies which have been proved by practice to be good for the country and the people. There is no reason why such good methods and strategies should be discarded and changed.

Deng's Political Influence Is Not Weakened, Top-Level CPC Leaders Have Responded to His Southward Tour

Having vigorously advocated reform and opening up in China, which have achieved great successes, Deng Xiaoping enjoys high prestige both at home and abroad. During his southward tour, he was warmly welcomed by the cadres and masses everywhere he went. Of course, this also reflected the virtue of the Chinese nation, who always respect aged and wise people. But it did reflect the deep love for the general architect of China's reform and opening up. Deng's appearance at Shanghai's Spring Festival party this year and his good health was widely reported by various newspapers in China on the following day, and the national television station also broadcast the news. In Beijing and elsewhere, it was big news for street gossip. From this we can see where the popular will inclines. From the remarks made by the top CPC leaders around the Spring Festival, we can see that they have responded to Deng's call. Here are some examples:

At the Spring Festival party held by the CPC Central Committee and the State Council, Jiang Zemin made an 800-character short speech. But the main theme was very clear. He stressed further emancipation of the mind, making courageous explorations, speeding up the pace of reform and opening up, and promoting economic construction with one heart and one mind. Prior to this, during his inspection of Jiangsu, he urged working in a down-to-earth manner and guarding against formalism. This time, when Deng came to inspect South China, he repeatedly advocated more solid work and less empty talk. Recently, fewer reports have been carried by major newspapers in Beijing on top CPC leaders attending meetings and ribbon-cutting ceremonies. There are certainly reasons for this.

Around the Spring Festival, Yang Shangkun, in Guangdong and Shanghai, also urged speeding up the pace of reform and opening up, further emancipating the mind, and making more courageous explorations. He hoped Shanghai would resume and give play to its role as a world trade and financial center in the foreseeable future.

At the annual meeting of the World Economic Forum held in Switzerland before the Spring Festival, Li Peng declared that China will never change its policy of reform and opening up, which enjoys wide support from the masses. Moreover, it will further increase its pace. His visits to four West European countries and other diplomatic activities also indicate that China is striving for a more favorable international environment for its domestic construction and trying to open up more channels for promoting trade and economic exchanges with other countries.

At the national political and legal work conference held in Guangzhou during the last 10 days of January, Qiao Shi pointed out: The political and legal departments at all levels must regard serving reform and opening up and serving economic construction as the fundamental starting point and final target of their work and must promote and ensure economic development. On public occasions, Yao Yilin and Song Ping also emphasized resolute implementation of the basic line of "one center, two basic points" and concentration of strength on promoting economic construction. At the national conference of propaganda department directors held by the CPC before the Spring Festival, Li Ruihuan proposed unifying the thinking of the whole party with the theory and line of building socialism with distinctive Chinese characteristics.

From the above-mentioned remarks made by top CPC leaders and their recent actions, we can draw the following conclusion: Deng Xiaoping's theory and line are still the guiding policy for the CPC. The basic political tone of the 14th CPC National Congress has already been set, with reform and opening up as its main subject. If there are any changes, they can only mean holding higher the banner of building socialism with Chinese characteristics through assessing the positive and negative elements of the experience gained in the past five years to expedite the modernization drive and reform and opening at a greater, faster, and more steady pace, rather than rolling back the line charted by the 13th CPC National Congress.

Hong Kong Seizes the Opportunity To Develop Itself, and the Foundation of "One Country, Two Systems" Will Be Firmer

As was revealed by press circles, Deng Xiaoping met with Zhou Nan, director of the Hong Kong branch of XINHUA news agency, in Shenzhen and accepted the latter's invitation to visit Hong Kong in 1997 after its return to China. In my opinion, this is a matter of great significance. At least it shows that Deng is full of confidence in realizing his idea of "one country, two systems."

Hong Kong is the southern gate of China and the bridge between the mainland and other countries in economic and information exchange. The successes achieved by Hong Kong in the past were, to a great extent, a result of the vigorous support of the mainland. Hong Kong's

economic development and trade are always established on the basis of its close cooperation with the mainland. Since reform and opening up on the mainland, large numbers of Hong Kong's factories have been moved to the mainland in order to use the cheap labor and rich resources there to develop themselves. They have struck deep roots in the soil of the mainland. On the other hand, in order to deepen reform and expand the scale of opening up, the hinterland also has to make use of the advantages of Hong Kong. Hong Kong's funds, information, and management personnel have played an important role in the rapid development of the Zhu Jiang Delta over the past few years.

Under the general situation that the flesh-and-blood relations between both sides are deepening with each passing day, the stability and prosperity of the hinterland are in the vital interests of all the Chinese people—not only those on the mainland but also those in Hong Kong as well. In Hong Kong, a handful of people always hope that disturbances will occur on the mainland. They hardly realize that instability on the mainland, for whatever reason, can only bring harm to Hong Kong. Just consider the disintegrated Soviet Union. Despite its vast territory, rich natural resources, and sound industrial and scientific and technological foundation, soon after its disintegration, disturbances occurred everywhere and the people were put in a difficult situation. Only yesterday, some people in certain developed countries were hailing the disintegration of the Soviet Union, but today they are very worried about nuclear weapons possibly out of control and a possible tide of refugees. They cannot but give it assistance, still not knowing what will happen tomorrow. If such disturbances also occur on China's mainland and hundreds of thousands or even millions of people flee the country, the situation of the whole of Southeast Asia or the whole of Asia will be unimaginable, not to mention Hong Kong and Macao, the tiny areas at the southern gate of China!

To maintain the stability and prosperity of Hong Kong and to preserve the current capitalist system and lifestyle for 50 more years after Hong Kong's return to China in 1997 is not only in the interests of the Hong Kong people but also in the fundamental interests of the hinterland. To the mainland, on which the policy of reform and opening up is being carried out, the most favorable thing is that Hong Kong will continue to be a city capable of playing the role of a financial, trade, transportation, and information center in the East and capable of providing the hinterland with economic assistance and international economic and trade experiences, rather than a city implementing a system exactly the same as that of the mainland. For this reason, we may say that in the next five years and after its return to China, Hong Kong's economic vitality will not be suppressed. It will have an even broader space for development. The more stable and prosperous Hong Kong is, the more consolidated its position in China's political and economic life will be, and the more favorable the situation will be for the CPC to implement the policy of preserving Hong Kong's current capitalist system and lifestyle for 50 more years.

A poem says: "I looked for spring all the day but spring was not found. After travelling far and wide over the clouds, I came back home. Then I broke off a plum blossom, and found that spring was already there at the top of the branches." Fine things are already ahead, before the Hong Kong people. They should also discover them with their own eyes. Now that the people on the mainland are implementing Deng Xiaoping's line and maintaining political stability and economic prosperity, the people of Hong Kong must seize this opportunity, maintain close ties with the mainland, and give play to its superiorities. They must seek common development with the mainland on the basis of mutual benefit. By doing so, Hong Kong will certainly have a bright future. Deng Xiaoping's idea of "one country, two systems" will then be realized on a more solid foundation.

Dissidents in Exile Give Conditions for Returning

HK0703061592 Hong Kong MING PAO in Chinese
7 Mar 92 p 7

["Special dispatch:" "Dissidents Yan Jiaqi, Chen Yizi Set Forth Conditions for Returning Home"]

[Text] In response to Deng Xiaoping's message asking Chinese students studying abroad to return home, and forgiving their past misdeeds, political scientist Yan Jiaqi, who is in exile in Paris, said in a MING PAO interview over a long-distance telephone call yesterday that if Beijing releases Wang Juntao, Chen Ziming, Bao Zunxin, Wang Dan, and others, and rescinds the "4 June" wanted circulars, they will take the lead in returning home without hesitation.

He said: "We all hope to return to China at an early date."

Yan Jiaqi also said: "We welcome Deng Xiaoping's remarks about reform and opening up, but China needs to move ahead further."

He said: At present, many basic issues have yet to be solved. For example, many dissidents are still being persecuted and judicial fairness and other human rights have not improved. If the Chinese authorities do guarantee personal safety, and positively strive for economic, cultural, and scientific development, a large number of Chinese students studying abroad will return to China. However, such conditions do not yet exist. So it is believed that students studying abroad will not return home in large numbers for the time being.

Yan Jiaqi said: At present, people in exile include Beijing students Wuer Kaixi and Chai Ling, and intellectuals Chen Yizi, Wan Runnan, Su Xiaokang, and himself, all of whom are on the Chinese authorities' "wanted list." Their previous behavior in China was similar to that of Wang Juntao and other people now in jail. So it would be contradictory if we were now allowed to return to China freely. So the two preconditions for returning are: 1) releasing Wang Juntao and other prodemocracy activists in prison; and 2) rescinding the wanted circulars.

Chen Yizi, another intellectual in exile who was previously a member of Zhao Ziyang's brain trust, also indicated, when interviewed by MING PAO by long-distance telephone call yesterday evening, that if the Beijing authorities do not punish the dissidents for their political attitude, they should first release the prodemocracy activists in jail. While Deng Xiaoping is currently advocating reform, Beijing is still bringing Bao Tong (Zhao Ziyang's main aide) to trial.

Chen Yizi, who is doing research at Princeton University in the United States, said that most Chinese students should return to China to make contributions, but those who participated in political activities still cannot return. He said that it may still be difficult for the returned students to bring their knowledge to full use, but those who can return should do so because they may somehow play some positive role in transforming China. In particular, China's southern and coastal areas need a large number of learned people.

Chen Yizi said he believed there would be certain changes in Beijing after Deng Xiaoping's remarks about reform and openness are widely spread in China, but the atmosphere in the south will still be more lively.

After the 4 June Incident, some students and intellectuals participating in the prodemocracy movement fled China and began living in exile. Although many hoped to return home at an early date, some students and scholars studying abroad became unwilling to return after the 4 June Incident. This has made China's brain drain problem even more serious.

Recent Press Articles on Human Rights Summarized

HK0302113192

[Editorial report] A previous synopsis of recent PRC press items on human rights was run in the China DAILY REPORT on 25 February on pages 22-24.

In the wake of the PRC State Council Information Office's November 1991 White Paper on "China's Human Rights Situation," the Chinese press has published a large number of lengthy theoretical articles on the human rights issue that echo and support the White Paper. The weekly LIAOWANG OVERSEAS EDITION, for example, has published a continuing series of five such articles by Li Yan (3810 6056) between 30 December 1991 and 27 January 1992. The articles, which are approximately 3,000 words in length and appear in a question-and-answer format, systematically enunciate China's position on human rights issues and defend its human rights record.

The first article, published in issue No. 52 of 30 December 1991 (published in the China DAILY REPORT of 14 January on pages 22-24), serves as an introduction to the series and develops three main points: 1) how the history of Chinese socialism reflects the people's struggle for human rights; 2) how different countries follow "different roads" in developing their

human rights; and 3) a description of the characteristics of China's human rights. The first segment states that "some Western views" are erroneous and show a lack of understanding of socialism in China. The author says that although the phrase "human rights" was first coined by the bourgeoisie during their ideological revolutions, the laboring class was engaged in a "heroic struggle for free and fair civil rights." He gives historical examples of this struggle from the Taiping Revolution to the period of Chiang Kai-shek's rule, emphasizing the CPC's advocacy of the idea of "protecting human rights, securing people's livelihood, and unifying China." He notes the "epoch-making change in China's human rights situation" after the CPC came to power in 1949 and draws a parallel between the development of socialist China and the development of human rights.

The author notes three factors that he says explain why "it is impossible for all countries to take the identical road in developing human rights": 1) historical differences including the previous human rights situations, national income development levels, and nature and maturity of social systems; 2) different national conditions that result in "different goals regarding the development of human rights and different conditions for their fulfillment;" and 3) differing understandings of what defines human rights. He adds, however, that international consensus on this issue is possible and cites China's active role in United Nations-sponsored human rights activities.

He concludes with a description of what he says are the three characteristics of China's human rights: extensiveness, equality, and genuineness. Extensiveness, according to Li, refers to the fact that all people in the society enjoy human rights and that these rights include not just political rights, as in the West, but also economic, cultural, and social rights. Equality in human rights is possible, the author contends, because the socialist system is based on public ownership and the people's democratic political system. Genuineness is a characteristic because "human rights in China are not merely a slogan or a formality of some form devoid of content." He stresses that China is a developing country, and that although improvements are still needed, "the Chinese people and government make it a long-term goal of struggle to bring about full human rights."

The second article, published in issue No. 1 of 6 January 1992, is entitled "The Right to Subsistence Is the Foremost Human Right of the Chinese People." It explains why the right to subsistence is of foremost importance for the Chinese people. As part of this explanation, the author quotes the U.S. Declaration of Independence, the UN "Human Rights Declaration of the World" of 1948, and the UN "Human Rights Covenant of the World" of 1966. He presents figures to support his contention that the Chinese people led miserable lives with uncertain futures before the communist takeover. He stresses that "the large-scale plunder by the Western powers and the corruption of the feudal rulers caused dire poverty among Chinese society and deprived the people of their

means of livelihood." He says: "Without the right to subsistence, human rights is just empty talk for the people, who without this right cannot guarantee their future and must endure hunger and cold."

The author stresses that only through the successful leadership of the CPC will the Chinese people enjoy the right to subsistence. He accentuates the importance of national security and social stability, which he insists are the basic guarantees for the people's right to subsistence.

He argues that state sovereignty is the fundamental guarantee for human rights. If the state loses its sovereignty, he insists, the people will have no guarantees and will be cruelly enslaved and humiliated by foreign aggressors who will plunder the nation's wealth—as happened, he says, in the late 19th and early 20th centuries. He contends that the right-to-subsistence issue remains pertinent because China still needs to safeguard its state sovereignty and national independence from foreign interference and has to keep the people's livelihood from being endangered by social turmoil and natural disasters.

The third article, published in issue No. 2 of 13 January 1992, is entitled "The Composition of the People's Democratic System in China." In it the author explains China's "people's democracy," in which the PRC Constitution stipulates "the people are master of the state and society" and the people's democratic political rights are realized and guaranteed in three main forms: 1) the people's congress system; 2) the multiparty cooperation and political consultation system led by the Communist Party; and 3) the grass-roots democratic organizations through which the masses directly exercise their political power. The author then goes on to outline the characteristics and functions of these institutions.

He says that the PRC Constitution is "the cornerstone of China's human rights legislation" and notes that the Constitution stipulates that "all power in the PRC belongs to the people." He compares China's Constitution to the those of the Qing government, the Northern Warlords' government, and the Kuomintang government, which he contends did not guarantee the people's rights and powers. He stresses that the current PRC Constitution is the only one in China's history that has guaranteed human rights.

The author says that China has enacted a series of important laws, including the Criminal Law and the Civil Law, on the basis of the Constitution, thus "making China's human rights legislation no less perfect than that in Western countries." He notes, however, some "distinct" characteristics of China's human rights legislation: 1) "The people's democratic dictatorship and the public ownership over the means of production determine that the laws give an equal and extensive guarantee for human rights." 2) Human rights in China represent the "perfect combination of democracy and law, rights and duties, freedom and discipline," as "the supreme state organ concentrates the will of the entire people on the

basis of a high degree of democracy." 3) China's laws "not only guarantee the people's political rights but also the people's economic, social, and cultural rights."

The author also mentions some of the political rights that the PRC Constitution allows Chinese citizens to enjoy. He notes that "among the world's 154 countries, 54 do not specify the citizens' right to vote, but the PRC Constitution stipulates this for all citizens age 18 and over without discrimination; and 126 countries do not specify freedom of the press, but the PRC Constitution specifies this as one of its citizens' basic rights."

The fourth article, published in issue No. 3 of 20 January 1992, is entitled "The Extensive Economic, Cultural, and Social Rights Enjoyed by the Chinese People." It focuses on Chinese citizens' three basic economic rights: the right to seek economic development; the right to employment; and the right to have legitimate property protected. The author stresses that the citizens' equal right to seek economic development is based on the elimination of the exploitive system and on public ownership of the means of production. This right, he contends, also finds expression in the system of "distribution according to work," which not only allows some people to get rich ahead of others through their honest work but also ensures that all the people get rich together.

The author provides figures to show China's rapid economic development in the 42 years since the founding of the PRC and notes that the people's standard of living has improved greatly, especially since the beginning of reform and opening up.

He also considers Chinese citizens' cultural rights, including: 1) All citizens enjoy the right to receive education; and 2) they also enjoy the freedom to conduct scientific research, to invent, and create. He cites figures to illustrate the development of education in the PRC, stressing the decline in illiteracy and the increase in graduates from all kinds of schools and colleges. He also provides figures on the increasing number of scientists and the results achieved from the growing number of growing research projects. He mentions Chinese citizens' "freedom of artistic expression and recreational activities" and notes the growing number of PRC-produced movies.

The author says that "China guarantees the people's right to life and health." He points out the increasing number of medical facilities and improvements in medical services and notes that "the life expectancy of the Chinese people has increased from age 35 in 1949 to 70 in 1990, but it took 173 years for the West European countries to raise life expectancy to 70."

The fifth article appears in issue No. 4 of 27 January 1992 and is entitled "China's Judicial System Stresses Safeguarding Human Rights." In this installment, Li Yan dwells on China's judicial system, which he says guarantees human rights in three ways: 1) "China guarantees the rights and freedoms of all its citizens as

stipulated in the law through its judicial activities." 2) "China's judiciary follows the principle of 'everyone being equal before the law.'" 3) "China pays close attention to guaranteeing the legal rights of the accused." The author says that the three law-enforcement institutions (i.e. the public security organ, the procuratorate, and the judiciary) perform separate functions so that they not only cooperate with each other but also supervise and constrain each other, thus better ensuring that human rights are safeguarded in judicial procedures.

According to the author, the functions and activities of the three institutions are all subject to strict rules and regulations: 1) "Unlawful deprivation or restriction of a citizen's freedom by detention or other means is prohibited." 2) "Evidence collection and searches must follow strict legal procedures, and unlawful searches of the person or home of citizens is prohibited." 3) "The procuratorate decides whether to bring a case to the court after comprehensive and careful examination." 4) "The court tries a case and announces its judgment openly," and "the accused has the right to defend himself or to appoint lawyers, relatives, or other citizens as his representatives."

The article also deals with China's measures for guaranteeing the human rights of accused people in special cases: 1) Minors under 16 are not subject to criminal charges except in cases of serious crimes such as murder, robbery, and arson. 2) The rights of women are protected carefully, and no pregnant woman is sentenced to death. 3) The death penalty is given only to criminals who are guilty of the most heinous crimes, and there are strict rules and procedures for the imposition of capital punishment. All death sentences must be submitted to the Supreme People's Court or the High-Level People's Courts with authorization for examination and approval. The author stresses that "the use of the death sentence in China is controlled more strictly and prudently than required by the 'Measures for Guaranteeing the Rights of People Facing the Death Penalty' adopted by the UN Economic and Social Council in 1984."

The author notes that in order to limit the number of executions, China's courts often give two-year reprieves to convicts sentenced to death, and the sentences are then normally reduced to life imprisonment if the convicts show remorse for their crimes. The author says that this reprieve system is "an original concept applied upon the imposition of the death sentence in China."

European Paper Cited on Tibet Human Rights Issue

OW0703093792 Beijing XINHUA Domestic Service
in Chinese 0452 GMT 7 Mar 92

[By reporter Xu Zhenqiang (1776 2182 1730)]

[Text] Paris, 6 March (XINHUA)—The 7 March edition of THE EUROPE TIMES [name as received] will carry a commentator's article entitled "Public Feeling Will Do Justice to the Human Rights Issue." The article said: "Some people repeatedly make a fuss over the so-called

human rights condition in Tibet. Their real intention is to internationalize the Tibetan issue and finally succeed in splitting Tibet from China's domain."

The article said: Before democratic reform was carried out in Tibet, China, the rights of the vast number of Tibetan people to live or die were held in the hands of serf owners who ruled over them, and there were no human rights to speak of. Serfs were emancipated after the democratic reform, and their basic human rights were given legal protection.

The commentator's article said: During a session of the UN Commission on Human Rights in Geneva on 4 March, most countries opposed the motion to condemn China and the issue of human rights violations in Tibet and were of the opinion that such a motion will "in fact interfere with China's foreign policies," thus resulting in the session's abandoning of efforts to vote on the motion. This not only marks "a victory in foreign affairs" for China, it also "shows that in the handling of international affairs in our world today, not all matters can be dictated by one or two nations with great power and that most countries still dare to uphold truth and justice."

The article also refuted attacks on China by some people in Western countries on the issue of human rights. It said: No country can boast of a perfect human rights situation in the contemporary era. Take the United States, for example: Although the country has developed science and technology and strong economic might, and the average people there have a relatively high standard of living standard, there are still quite a number of unemployed or homeless people wandering about destitute on the streets there, and racial discrimination is still serious. Speaking from the angle of human rights, can we say that there is no problem?

Qiao Shi Urges Fight Against Graft, 'Mobsters'

HK0803050992 Hong Kong WEN WEI PO in Chinese
7 Mar 92 p 2

[By staff reporter Chen Chien-ping (7115 1696 1627): "Qiao Shi Urges Greater Determination To Fight Corruption"]

[Text] Qiao Shi, CPC Central Committee Standing Committee member, stressed not long ago that to create a better political and social environment for further deepening reform and expanding opening up, it is imperative to have a greater determination to fight corruption, including grasping major and important cases in a big way and establishing an internal mechanism to restrict power abuse. At the same time, it is necessary to sternly crack down on mob activities; by no means should we allow mobsters to exist on socialist ground.

Qiao Shi said that a resourceful personality said, in a speech delivered at an ad hoc work conference held not long ago, a mistake a party in office is most liable to commit is being divorced from the masses; in fact, this is the most dangerous thing to do. The most conspicuous

problems today are: bureaucratism, showing no concern for the people's difficulties, turning a deaf ear to their voices, subjectivism, and formalism. The others are abusing power for personal gains and corruption. "Things deteriorate before worms grow in them." This being the case, it is imperative to make a great determination to keep corruption to a minimum by combining the efforts of specialized organs and the masses.

Qiao Shi said, a basic view today is that everybody hates corruption, but nobody seems able to do anything about it. This is a phenomenon of underestimating one's own strength. He required leading cadres to start work among themselves to shape a smaller climate of a county, prefecture, city, or province to affect the big climate across China. When talking about the mob issue, Qiao Shi said, our political power is one that belongs to the people, but not one for a minority and its manipulation. In some countries, mobsters collude with the police, while utilizing each other, and, to some extent, the police have to rely on underground societies to maintain social order. However, our social order depends on neighborhood committees, police substations, and public security organizations, and by no means should we rely on mobs, and underground societies should never be allowed a place in our socialist society.

Nie Rongzhen, Chi Haotian Write Inscriptions

OW0703025792 Beijing XINHUA Domestic Service
in Chinese 1331 GMT 6 Mar 92

[By reporter Guo Xiusheng (6753 0208 3932) and correspondent Han Lili (7281 5461 5461)]

[Text] Jinan, 6 March (XINHUA) —On the eve of the 8 March International Working Women's Day, Marshal Nie Rongzhen wrote inscriptions for 57 "Shandong's Red Sisters" with these words: "Glorious Images of Revolutionary Advanced Women."

Last September, the Women's Federation in Shandong, along with the Hualing Publishing House, and the China Publishing House of Magazines for the Aged jointly organized an activity to select "Shandong's Red Sisters." Presently, 57 women in Shandong Province have been chosen as "Red Sisters." A naming and commendation meeting was held in Jinan today.

Among these "red sisters," 55 of them have made contributions in the War of Resistance Against Japan, and during China's War of Liberation, while two others are named new "red sisters" for their patriotism and support shown for the Army in the course of socialist construction. Ming Deying, a 92-year-old elderly sister from Mamuchi village in Shandong's Yinnan County, is noted for saving the lives of critically ill soldiers of the Eighth Route Army with her milk during the revolutionary days. A modern play called "Red Sister" has been written, basing precisely on her experience as the prototype of the leading character.

Wang Shoudao, member of the Central Advisory Commission, and Chief of General Staff Chi Haotian also wrote inscriptions for "Shandong's Red Sisters."

Editorial Urges Political Structure Reform

HK0703053692 Hong Kong WEN WEI PO in Chinese
7 Mar 92 p 2

[Editorial: "Also on China's Reform of Political Structure"]

[Text] This year will be a year of China's deepened reform of the economic structure. Meanwhile, its reform of the political structure is also brewing and will be pushed forward conditionally and systematically.

Very few people abroad completely negate China's reform of the economic structure, but many people claim that China has only economic reform but no political reform. There is a market for remarks of censure on China's political structure. We can analyze this phenomenon in two aspects. First, politics and the economy cannot be separated. A situation where politics is completely divorced from the economy does not exist in the world. Reform of the economic structure needs reform of the political structure and will also promote this reform. China's reform of the economic structure has been carried out for some 10 years, and reform of its political structure will ensue. This fact cannot be denied. The arbitrary statement of no reform of the political structure is a prejudice. Some people of the West determine that the nature of reform of the political structure is the subversion of the political system, namely a change from the socialist system to the capitalist system. Such a change has appeared in the former Soviet Union and East Europe. Let us leave for the moment what part it will play in the economic development and the people's livelihood of all countries. Such a change in the system will, however, definitely not appear in China. Therefore, China's reform of the political structure is completely different from the "reform" as claimed by these people with hidden motives.

China needs to push reform of the political structure forward, and it appears that there is a need to accelerate the pace as a whole. The following changes are needed:

—Foster socialist democracy and strengthen the functions of the people's congress in legislation and discussion of the government and political affairs. The National People's Congress [NPC] is the highest statutory organ of state power of China. The fifth session of the seventh NPC that will open soon will examine and discuss the law of the people's deputies and for the first time make law of the election and functions of the people's deputies. This will enhance the authority and representativeness of the people's deputies and is of important significance to the development of China's socialist democratic politics.

—As China's supreme administrative organ, the State Council will also unremittingly readjust its organs in

coordination with the new economic structure and take streamlined organization, high efficiency, and honesty as the targets. This is also the orientation of reform for the local government organizations at all levels.

—China's system of public servants has appeared in an embryonic form. In future, it will gradually become a more perfect system and need corresponding legislation and a series of regulations concerning promotion, punishment, and reward. The structure of public servants at all levels is to be formed on the foundation of rule by law.

—A lot of energy must be devoted to the building of the legal system. From the 1980s, China has popularized law (popularizing legal knowledge) throughout the country and achieved fairly good results. As China has had an incomplete legal system, been economically backward, and had greater illiteracy, it is still very necessary to further popularize law in the whole society. Socialist democracy and the building of the legal system supplement each other; and by strengthening the building of the legal system, democracy will develop.

—As a ruling party, the CPC must further strengthen consultations and cooperation with all democratic parties, nonparty patriots, and people of religious circles. It is essential to make such consultations and cooperation become a permanent and effective system within the whole community.

Second, as reform of the economic structure, China's reform of the political structure must proceed from its national conditions and cannot be measured with Western criteria. China has population of some 1.1 billion, of which over 800 million people live in the rural areas. China is still merely a developing socialist country. The Western concept of requiring China to pursue multipartism will not work. The national conditions of China determine the target and mode of its political and economic structures. Such reform advances gradually yet steadily for the purposes of developing the productive forces, improving the people's livelihood, and making the national strength powerful. However, the new political and economic structures will conform to the major premise and have the nature of socialism with Chinese characteristics.

More People Visit Zhou Enlai Memorial Hall

OW0403112692 Beijing XINHUA in English
1028 GMT 4 Mar 92

[Text] Nanjing, March 4 (XINHUA)—As March 5, the 94th birth anniversary of Zhou Enlai, approaches, increasing numbers of visitors are thronging to the "Zhou Enlai Memorial Hall" in Huai'an City, Jiangsu Province, the hometown of the highly respected former premier of China.

The director of the hall said the over 210,000 foreign and domestic visitors have visited the hall since it opened two months ago.

The hall, which contains a major show room, a supplementary display room and auxiliary rooms, displays numerous photographs and personal items which show the life of the late premier in different historical periods.

Book on Liberation Eulogizes Revolutionary Leaders

OW0703025292 Beijing XINHUA in English
0132 GMT 7 Mar 92

[Text] Beijing, March 7 (XINHUA)—A book recording events that happened around the time of the founding the People's Republic of China in 1949 has been published by the Overseas Chinese Publishing House.

Entitled "Account of the Founding of New China," the book eulogizes many revolutionary leaders, democratic personages and ordinary people, all of whom contributed to the founding of the People's Republic.

The book combines historical facts with literary expressions.

Economic & Agricultural

'Roundup': Measures To Expand Opening Planned

OW0703085792 Beijing XINHUA in English
0837 GMT 7 Mar 92

["Roundup: China To Open Wider to the Outside World"—XINHUA headline]

[Text] Beijing, March 7 (XINHUA)—Since the beginning of 1992 a number of municipalities and coastal provinces, as well as northeastern, northwestern and southwestern provinces have announced they will implement new measures to open wider to the outside world, including neighboring countries and regions.

Observers here say that China will quicken the pace of opening to the outside world, and will do so on a much larger scale.

During the 1980s, China has passed through several stages in its effort to open to the outside world, ranging from the establishment of special economic zones and open coastal cities and areas, to designating open inland and coastal economic and technology zones. The opening of such zones has laid a solid foundation for the country's effort to open even further.

China's guideline for further opening during 1992 is to "be more open-minded, and act boldly and quickly concerning the opening process."

Specific measures include better administration of the country's special economic zones, economic and technology development zones and high and new technology development zones, as well as open cities and areas.

In addition, preferential policies will not only be offered to foreign funded enterprises, but to all foreign funded projects related to the country's industrial policies as well.

At the same time, inland provinces and regions are expected to experience rapid progress in opening further to the outside world, and localities nationwide are drafting new policies which are in line with the general open policy.

For example, Shanghai's New Pudong Development Area is planning a substantial development program. In addition, construction of basic facilities will be greatly enhanced because of promised favorable state policies and funding for Pudong. At the same time, the financial institutions in Shanghai are cooperating with the international financial institutions to inject new vitality into the area. Thus far, the world's six largest banks, whose main offices are located in the United States, Britain, France and Japan, have opened branches and 162 foreign enterprises have opened in Pudong.

Shanghai is also changing a certain percentage of bonds issued by state-run enterprises which have passed assets certification appraisals into shares and reselling them to holding companies controlled by overseas investors. In addition, certain foreign funded enterprises are allowed to issue shares overseas and some Chinese partners in cooperative venture hotels have been allowed to lease their land-use right to the foreign partner for extended periods. When land-use rights are leased in this manner the cooperative enterprise is then redesignated as solely foreign funded venture.

As part of their effort to enhance efficiency, the special economic zones will shift their major focus from processing with supplied materials to developing new and high technology industries. They will also concentrate on developing insurance and banking services, stock markets and free trade areas, and providing services to both foreign funded and state-run enterprises to eliminate red-tape involved in purchasing production materials.

In addition, the Hainan Special Economic Zone, the largest in China, is expected to make substantial progress in development of the Yangpu Area.

Open coastal areas will further develop their export oriented economies and introduce increased overseas investment to fund technical upgrades.

In 1992, provinces in northeast China will vigorously expand border trade with neighboring countries, while provinces and autonomous regions in the northwest will develop trade with neighboring countries, including Pakistan and Kazakhstan. Provinces in the northeast will also develop economic and trade cooperation with western Asian countries, while provinces and autonomous regions in the southwest will develop border trade with Myanmar [Burma] and Vietnam.

The Eurasian trans-continental bridge, which will go into operation this year, has provided a new transportation outlet which will enhance the further opening of the western and interior regions.

In the year, China, a country with vast market development potential, will engage in increased and extensive economic and technical cooperation with foreign countries. Such cooperation will include major purchases of advanced technology and equipment from foreign countries.

In brief, China will institute wide-ranging policies to ensure that the door to the outside world opens even wider during 1992.

Preferential Policies for Coastal Areas Resumed

*HK0903071092 Hong Kong WEN WEI PO in Chinese
9 Mar 92 p 2*

[By staff reporter Chen Chien-ping (7115 1696 1627): "Central Authorities Will Again Delegate to Coastal Areas Preferential Policies Which Were Recalled During Period of Economic Improvement and Rectification"]

[Text] Beijing, 8 Mar (WEN WEI PO)—According to an authoritative person here, the CPC high levels stressed a few days ago: The preferential policies, which were delegated to special economic zones and were recalled by some state departments during the period of economic improvement and rectification, are to be delegated to them again so these policies can be brought into effect and will not be withheld.

This person quoted the statement of a person in charge of the State Council that the central authorities have recently stressed that it is necessary to run the existing special economic zones and open zones even better so they can really play the role of a window and a vanguard. During the period of economic improvement and rectification two to three years ago, some state departments sent down some documents. Some of these documents recalled the preferential policies that had been delegated to the special economic zones and open zones. To some extent this was appropriate because of the needs of economic improvement and rectification. However, economic improvement and rectification have now been concluded and we must really straighten things out. The recent document proceeds from the actual needs in pushing forward reform and opening up in the special economic zones and open zones and really brings into effect the preferential policies expressly stipulated by the central authorities.

The person in charge of the State Council said that the work of all places and departments must be subordinate to and serve the overall situation of reform and opening up, consider problems in the light of the overall situation, overcome the tendency toward undue emphasis on regional and departmental interests or pure professions, and see that as long as we do a good job in reform and opening up, the problems of local and departmental interests can be readily solved.

BOC To Continue Support of Export Drive

*HK0503022692 Beijing CHINA DAILY in English
5 Mar 92 p 2*

[By staff reporter Wang Xiangwei: "Joint Firms To Get Loan Support From BOC"]

[Text] The Bank of China (BOC) has pledged its continuing financial support to the export drive of foreign-funded ventures this year, and will also give priority to helping pull loss-making firms out of the doldrums.

A BOC official said a detailed loan plan for foreign-funded enterprises would be distributed to local branches for implementation.

Yang Wenquan, who is in charge of loans to foreign-funded ventures, said loans worth 2.1 billion yuan (\$388 million) and an unspecified amount of foreign exchange had been earmarked for development of foreign-funded enterprises this year.

Official statistics show that to date the government has approved establishment of about 40,000 foreign-funded enterprises, of which up to 20,000 have started up. Most of them rely on BOC, the country's main foreign exchange financial institution, for loans and credits.

Yang said that as the government and Party leaders recently repeated the call for bolder steps in absorption of foreign investment, a further influx of foreign capital was expected this year.

He said BOC would "actively support" the large- and medium-sized State-owned enterprises seeking to attract foreign capital for technological modernization.

He said that the loans would mainly flow to export-oriented and profit-making enterprises as well as high-tech ventures.

However, this year BOC will also inject funds into debt-ridden foreign-funded enterprises.

The nationwide problem of debt defaults was also adversely affecting foreign-funded enterprises, which reported 1.4 billion yuan (\$259 million) in debt defaults in 1990.

In 1991, BOC helped settle more than 800 million yuan (\$148 million) in debt defaults among the ventures but by the end of the year, the total amount climbed back to the level of 1990.

BOC will also try to help those foreign-funded enterprises which "are not running well."

Preliminary statistics showed that more than one third of the country's 20,000 foreign-funded enterprises are running at a loss.

Yang said BOC would provide loans to help them expand their domestic and international markets.

'Roundup' on Steady Growth of Foreign Investment*OW0903102692 Beijing XINHUA in English
0938 GMT 9 Mar 92*

["Roundup" feature]

[Text] Beijing, March 9 (XINHUA)—Foreign investment in China has been growing steadily as ten years of reforms continue to improve the environment for foreign business.

Statistics released by the Ministry of Foreign Economic Relations and Trade (MOFERT) show that by the end of 1991, 41,274 foreign-funded enterprises had been approved with a total contracted volume of 47.9 billion U.S. dollars, about 20 billion of which had been put into operation.

In addition, there are 74 Sino-foreign joint projects of offshore oil exploration and production, with a contracted volume of 3.4 billion U.S. dollars, 2.8 billion of which has been used.

Analysts here say that China has gone through three stages in attracting foreign funds. The first was from 1979 to 1985, when the average annual amount of foreign funds China actually used was 3.11 billion U.S. dollars; the second was from 1986 to 1989, when the figure was 9.2 billion U.S. dollars. The third stage began in 1989.

According to MOFERT statistics, the number of foreign-funded enterprises China approved in the two and a half years since 1989 exceeded the total of the previous ten years and the funds used in the period were 76.5 percent of that of the previous decade.

Of the more than 40 countries and regions that invested in China's mainland, Hong Kong and Macao invested most, followed by the United States and Japan.

Analysts noted that foreign investment in China at present shows the following trends:

- Investment is expanding from south to north;
- More investment (over 84 percent) is going into industrial projects;
- Trades such as real estate, banking and leasing are becoming targets for investment;
- Multi-national corporations are getting active in the field. They not only want to set up joint ventures with China, but also show interest in establishing companies with their sole investment.

Statistics show that the output value of the foreign-funded enterprises accounted for about five percent of the national industrial output, and their export volume accounted for about 20 percent of the national total.

MOFERT officials said that the steady growth of China's economy, the relatively low cost of its labor, plus improved legislation on investment protection make the

country attractive to foreign investors, although more work still needs to be done to further improve the conditions.

China's investment environment is expected to get even better with the deepening of the reform and opening and further improvement of its market system, according to the officials.

Foreign Trade Transport Volume Increases*OW0503055892 Beijing XINHUA in English
0427 GMT 5 Mar 92*

[Text] Beijing, March 5 (XINHUA)—China chalked up 235 million tons in its foreign trade transport volume at its ports last year, an increase of 17.2 percent over the previous year.

The country saw a general increase both in the transport volumes of imports and exports in the past year, with the transport volume of commodities for export reaching 128.52 million tons, 126 percent of the set quota for last year and an increase of 16.3 percent over the previous year.

Last year, China imported 12.8 million tons of grain, 18.1 million tons of chemical fertilizer and 8.27 million tons of crude oil. At the same time, it also exported 20.16 million tons of coal, 22.52 million tons of crude oil, 9.64 million tons of grain and 9.7 million tons of cement.

With the improvement of the structure of its export commodities, China also enjoyed an increase in the export volume of industrial finished products, which accounted for 70 percent of the total exports, a four percent increase over the previous year.

Government To Standardize Port Fees From 1 Apr*OW0603175292 Beijing XINHUA in English
1526 GMT 6 Mar 92*

[Text] Beijing, March 6 (XINHUA)—In a move to equalize charges, China will standardize open port fees for Chinese and foreign ships beginning from April 1.

The new fees will increase general fees charged to Chinese ships by 40 percent, container handling fees by 32.9 percent, and bulk cargo fees by 260 percent.

Small, Medium Firms To Seek Foreign Ties*HK0703074892 Beijing CHINA DAILY in English
7 Mar 92 p 2*

[By staff reporter Zhang Yuan: "To Market: Firms Seek Foreign Ties"]

[Text] China's small and medium-sized enterprises are poised to explore new areas to expand co-operation with both developed and developing countries.

Describing it as the top task for China's small and medium-sized businesses in 1992, they are considering a

massive push into the world market and may export more practical technologies while continuing to import advanced technologies.

Zheng Zhaoqiao, director of the Coordinating Centre for Business Cooperation of China (CCBCC) of the State Planning Commission, said that the centre is going to send seven to eight delegations of government officials and entrepreneurs abroad this year, one of which will visit some Southeast Asian states.

"While trying to open up new world markets for co-operation, we will solidify the long-term markets in Italy, Germany, France, Switzerland and Japan," said Zheng, also vice-president of the China International Co-operation Association.

Zheng predicted that co-operation with South Korean colleagues will improve along with some "substantial co-operation projects" which will start this year, but he declined to provide more details on them.

At the moment, CCBCC is preparing to send a delegation, consisting of dozens of entrepreneurs from small and medium-sized firms to the China Export Commodity Fair to be held in Mexico in May this year.

The move is designed to help China's small and medium-sized enterprises squeeze into the world market and explore more co-operation opportunities through direct contact with foreign counterparts. Small and medium-sized firms account for about 98 percent of the country's total industrial firms and produce 66 percent of its total annual output value.

In the second half of this year, a delegation will go to northern Europe to explore co-operation opportunities with Sweden, Denmark, Norway and Finland, Zheng said.

Other groups will go to Japan, Italy, France, Germany and Switzerland to enhance ties with them.

Zheng also disclosed that about 10 foreign delegations from Japan, South Korea, Switzerland, Italy and France are expected to visit China to discuss co-operation projects.

The Chinese Government first paid attention to foreign co-operation with the country's small and medium-sized enterprises in 1986. Since then, many senior Chinese officials have expressed their strong support of the move.

Last year, CCBCC sent 18 delegations abroad to promote such co-operation, which helped small and medium-sized firms to introduce more advanced technologies and set up more joint ventures.

Currently, CCBCC is organizing its provincial organs to prepare more co-operation projects to be offered to foreign counterparts and visiting delegations, Zheng said.

Increased Exports of Building Materials Urged

OW0603125992 Beijing XINHUA Domestic Service in Chinese 0741 GMT 6 Mar 92

[By reporter Xu Kehong (1776 0344 3163)]

[Text] Beijing, 6 Mar (XINHUA)—Wang Yanmou, director of the State Building Materials Industry Bureau, said to reporters recently: Besides satisfying domestic construction needs, our country's building materials industry should enter the international market and enhance cooperation with foreign countries in keeping with the new situation of opening wider to the outside world.

With its current strength as a solid foundation, our country's building materials industry is ready for a foray into the international market. Last year, it earned \$1.16 billion in foreign exchange from exports. The export volume of cement totaled 10 million tons; exports of glass for industrial technological uses, fiberglass and allied products, and marble boards increased significantly.

Wang Yanmou said: To maintain and expand building materials exports, a group of modern, large-scale cement enterprises and bulk cement production facilities will be built in littoral and coastal areas during the "Eighth Five-Year Plan." Moreover, efforts will be made to rebuild traditional ceramics bases and to develop glass and non-metals multiple processing industries. Construction projects in this respect will be designed to actively attract foreign capital. Six cement plants in China are currently in the initial stage of building foreign-funded and wholly-owned construction projects involving \$700 million in foreign capital. Additionally, negotiations are being actively carried out regarding the construction of a large number of joint ventures such as large-scale glass factories, factories that produce ceramicware for construction and sanitary purposes, and stone production bases.

Beijing Iron, Steel Expanding Internationally

OW0603043892 Beijing XINHUA in English 0249 GMT 6 Mar 92

[Text] Beijing, March 6 (XINHUA)—The Beijing Capital Iron and Steel Company will strive for expansion of its international trade and internationalization of its operation in the 1990s.

The company made a breakthrough in foreign trade in 1991: The export business volume reached 244 million U.S. dollars, 164.26 percent more than the previous. The company also developed 19 overseas projects and exports of whole sets of equipment.

Besides, the company also set up six joint ventures in China and made investments in 12 projects in foreign countries. By the end of 1991, the company had set up 25 joint ventures both at home and abroad.

The Capital Iron and Steel Company first made the strategy to open up international trade and to realize transnational management last October. The company decided that they would strive to become one of the 500 biggest companies in the world and set it as their goal during the country's Eighth Five-Year Plan period (1991-95).

The company has set up a separate export department in its sub-companies and provided courses in international trade for hundreds of people engaged in foreign trade. At present, a multi-layer export management system has taken shape in the company.

Apart from its export of iron and steel, the company has also managed to sell its other products such as machinery, electrical products and whole sets of equipment to more than 40 countries, in Europe, America, Africa and East Asia.

At present, the company can export about 90 varieties of products compared with 38 varieties in the past, and about 59 factories affiliated to the company can make export products.

Li Peng, Tian Jiyun Write Inscriptions for Fair

OW0503140392 Shanghai People's Radio Network
in Mandarin 2300 GMT 4 Mar 92

[From the "Morning News" program]

[Excerpt] The 1992 East China Export Products Fair will be held from 5-14 March at the Shanghai Exhibition Center, the Shanghai Commercial Center, and the Hongqiao International Exhibition Center.

State Council Premier Li Peng; Vice Premier Tian Jiyun; and Li Lanqing, minister of foreign economic relations and trade, wrote inscriptions for the fair. Premier Li Peng's inscription reads: "Firmly Promote Reform and Opening; Strive to Develop Foreign Economic Relations and Trade". Vice Premier Tian Jiyun's inscription reads: "Expand and Diversify the International Market and Strive To Develop the Import and Export Business". Minister Li Lanqing's inscription reads: "Expand and Diversify the International Market and Strive to Develop Foreign Economic Relations and Trade". [passage omitted]

Article Views Urban Economic Structural Reform

HK0503093292 Beijing ZHONGGUO JINGJI TIZHI
GAIGE in Chinese No 1, 23 Jan 92 pp 27-30

[By Gao Shangquan (7559 1424 0356): "Process and Achievements of Reform of China's Urban Economic Structure"]

[Text] From the end of 1978 to October 1984, China's economic structural reform was first carried out and was fully under way in the rural areas. At the same time, experiments were made in the cities for carrying out comprehensive and special reforms, which started with

expanding the decisionmaking power of enterprises. Beginning from October 1984, the focus of reform was gradually shifted to the cities, and reform was extended to the fields of education and science and technology. From September 1988 to the present, economic rectification and improvement have been carried out and reform has been deepened.

Great achievements have been made in rural reforms. At the same time, urban reforms have been pushed forward in an all-around way and substantial progress has been achieved. With the delegation of the power of economic regulation and control from the central authorities to local and city authorities, the economic management function and decisionmaking power of the cities have both been strengthened, and the cities are playing an increasing role in the national economy. At present, the more than 460 large, medium, and small cities throughout the country are playing an important role as the nucleus of various types of economic areas. They have established an integrated economic network with tens of thousands of counties, towns, townships, and villages to promote the development of socialist planned commodity economy in China. They have become the bases of China's industrialization and modernization and windows for opening up to the outside world. In particular, the five special economic zones—Shenzhen, Zhuhai, Shantou, Xiamen, and Hainan—and the 14 coastal open cities have become the flashpoints of foreign investment and investment from Hong Kong, Macao, and Taiwan as well as China's foreign trade bases. The continuous deepening of urban reforms has brought about great changes to the pattern and operation mechanism of China's economic structure.

—An initial ownership structure, characterized by the coexistence of diverse economic sectors, including ownership by the whole people, collective ownership, the individual and private economic sector, and the "three kinds of partially or wholly foreign-owned enterprises," with public ownership as the main body, has been established. In 1990, the industrial output values of the economic sector under ownership by the whole people, the collective economic sector, and the individual and private economic sector, including the "three kinds of partially or wholly foreign-owned enterprises," respectively made up 54.5, 35.7, and 9.8 percent of the gross industrial output value of the country, and their total volume of retail sales respectively made up 39.3, 31.9, and 28.8 percent of the nation's total volume of retail sales. This ownership structure, which reflects the dominant position of public ownership, has promoted the development of productive forces.

—Enterprise reform has been gradually deepened. Starting with readjusting distribution relations between the state and enterprises, the decisionmaking power of enterprises in production and management has been gradually increased. The principles of separating enterprise management from government

administration and appropriately separating ownership from management power have also been implemented. Different forms of contracted management responsibility system have been adopted by 93 percent of the industrial and commercial enterprises under ownership by the whole people. The contracting and merging of enterprises and the development of lateral economic ties have been encouraged, and a number of enterprise groups of different scales have been organized and established, which has promoted the rational circulation of major productive elements and readjustment of the organizational structure of enterprises. Experiments on various forms of shareholding system have been made to explore an effective way to put public ownership into effect. In reforms within the enterprises, the system of the factory director assuming full responsibility in production and management, the labor contract system, and the method of linking work to efficiency have been popularized.

- The market system has been continuously developing. In the commodity circulation sphere, reform of the circulation system, which is characterized by diverse economic sectors, diverse operation forms, more circulation channels, and fewer links, has been carried out. More than 800 daily-use industrial products trade centers, more than 3,000 small industrial commodities markets, and more than 300 wholesale markets have been established. At present, there are more than 1,300 agricultural and sideline products wholesale markets and more than 70,000 urban fair trade markets in our country. In Zhengzhou, a central grain wholesale market has been established on a trial basis. The markets of major productive elements have also registered a big development. There are already more than 400 trade centers for large-scale capital goods and more than 200 markets for steel products. The turnover of short-term funds accommodation markets reached 500 billion yuan at its peak, and more than 240 billion yuan of valuable securities have been issued by the long-term funds markets up to the present, with a total turnover of more than 18 billion yuan. In 70 cities, more than 500 securities exchange networks and points have been established. Stock markets and an automatic price-quoting system for the securities exchange network of 10 cities have been established in Shanghai and Shenzhen. More than 90 foreign exchange accommodation markets have been established throughout the country, handling a total of \$17 billion of foreign exchange. In many cities, real estate markets have also been established. There are also more than 8,000 service organizations for the labor market and more than 20,000 development and exchange organizations for the technology market.
- Price reform has been pushed forward steadily. Three forms of prices, namely, the prices fixed by the state, the prices under state guidance, and the prices according to market regulation, have appeared in the market. In the 1990 total volume of retail sales, the prices under state guidance and market prices made

up more than 70 percent of all prices. The proportion of market prices in the prices of all agricultural products sold by the peasants reached 52 percent, and that of market prices of industrial capital goods in the total ex-factory prices reached about 37 percent. Market regulation is playing an increasing role, and important changes have taken place in the economic operation mechanism.

- A macroeconomic regulation and control structure is being established, which uses economic, legal, and administrative means in a comprehensive way. The varieties of industrial products under the state's mandatory and planned management have been reduced from 120 in 1979 to about 60 at present, the varieties of materials under the state's unified distribution have been reduced from 256 to 27, and those of commodities under the planned management of the commercial departments have been reduced from 188 to 24. At the same time, the unified allocation of industrial and agricultural products and the system of state monopoly for purchase and marketing have been abolished, and market mechanism has been introduced. Investment in production and construction has been changed from the pattern of investment merely made by the state to a pattern of investment jointly made by the state, localities, enterprises, and individuals. The source of funds has also been changed from allocation by the financial departments to diverse forms of fund-raising, including bank loans, collective investment in shares, and introducing foreign capital. The old financial structure of the state assuming full responsibility for profits and losses has been replaced by various forms of financial contract system. The old unitary tax system has been replaced by a compound tax system, and the functions of tax rates and other means of economic regulation have been strengthened. A two-level bank structure, with the central bank as the leader, has been established. Apart from the Bank of China and the other three professional banks, a bank of communications has been established. At the same time, various banking institutions, including joint-venture banks, have been developed in Shenzhen and Guangdong Province. Money supply, interest rates, and exchange rates have become important means of macroeconomic regulation and control.
- A new situation has been created in opening to the outside world. Through the efforts in the past 12 years, a new pattern of opening to the outside world, characterized by gradually developing "from the special economic zones to the coastal open cities, then to the coastal economically open areas, and then to the interior," has taken shape. By the end of last August, a total of 36,900 foreign-invested enterprises had been approved for establishing business in China. Direct foreign investment according to relevant agreements had reached \$43.3 billion. At present, a total of \$18.3 billion has actually been invested, and 16,600 enterprises have been put into production and operation. With reform of the foreign trade structure, foreign

economic and technological exchange and cooperation have been rapidly expanded. The total import and export volume reached \$115.4 billion in 1990, which was an increase of 203 percent over 1980. Of this, the export volume increased from \$18.1 billion in 1980 to \$62 billion in 1990, or an increase of 242 percent, raising China from 32d to 14th in the world in the field of export trade.

Reform and opening up have vigorously promoted China's economic development. We may say that the past 12 years were the years in which China achieved the fastest economic growth, its comprehensive national strength was remarkably enhanced, and the living standard of its people was greatly improved. Calculated according to comparable prices, the GNP was increasing at an average annual rate of 8.7 percent from 1978 to 1990, much higher than the average world rate in the same period, which was only 3 percent. It was also higher than the average rate in the previous 30 years before reform, which was 6.1 percent. The consumption level of urban and rural residents also increased by 6.3 percent a year on average. From 1980 to 1990, the per capita net income of the peasants increased from 191.3 yuan to 630 yuan, the per capita income of city and town residents for living expenses increased from 406 yuan to 1,387 yuan, the per capita residential area of urban people increased from 3.6 square meters to 7.1 square meters, and that of rural people grew from 8.1 square meters to 17.8 square meters.

In 1991, in the historical course of reform and opening up, the Fourth Session of the Seventh National People's Congress [NPC] adopted the "Outline of the 10-Year Program and of the Eighth Five-Year Plan for National Economic and Social Development." This document sums up the great achievements China achieved in reform and opening up in the 1980's and points out the objectives and main tasks for the next decade. It is of great significance to further deepening reform. Meanwhile, as great achievements have been made in economic rectification and improvement, the economic environment has been greatly improved and stability has been achieved in the political, economic, and social fields. Good conditions have thus been created for us to make a bigger stride forward in reform.

The following are some of the main expressions of the achievements in 1991:

Enterprise reform was further deepened, and the second round of contracting of state-owned enterprises proceeded smoothly. Except for a small number of enterprises, which had adopted the system of payment of tax plus a percentage of profits to the state, 95 percent of enterprises signed the new round of contract agreements at the very beginning of the year. The second round of contracting was further improved and developed. First, a comprehensive and coordinated system of contract by quota, including economic return quota, development

momentum quota, and enterprise administration quota, was established. Second, the contract base became more scientific and rational.

Efforts were made to invigorate large and medium state-owned enterprises, with stress on the change of enterprise operation mechanism. In the first half of 1991, the State Council put forth 11 measures for invigorating large and medium state-owned enterprises. The central work meeting held in September made a special study of the question of how to enhance the vitality of such enterprises and put forth 20 measures for running enterprises well. To increase the quality of enterprises and increase their competitiveness in the international market, the State Council approved the experiment of 55 large-scale enterprise groups.

Experiments on the "system of payment of tax plus a percentage of profits to the state" and the shareholding system were continued. At present, more than 2,000 enterprises have carried out experiments on the system of payment of tax plus a percentage of profits to the state. The Ministry of Finance and the State Commission for Restructuring Economic System jointly issued "Methods for State-Owned Enterprises To Carry Out Experiment on the System Requiring Payment of Tax Plus a Percentage of Profits to the State and Payment of Tax Before Loan Repayment or Any Retention of Profit," in order to improve the methods of experiment and accumulate experiences for popularization in the future. Experiment on various forms of the shareholding system has been further carried out and management has been strengthened for the experimental and coordinative reform of the shareholding system in Shanghai and Shenzhen, which have issued shares to the public and had them listed on the exchange. At the same time, efforts have been made to make stock exchanges more standardized.

Both the reform of the circulation system and the price reform made bigger strides. Beginning from 1 January 1991, export subsidies were abolished and a new mechanism was adopted in order to increase economic returns and promote the development of foreign trade. Under the new mechanism, all kinds of foreign trade enterprises should operate independently and assume sole responsibility for their profits and losses. On 1 May last year, a big readjustment was made to the selling prices of low-priced grain and oil, which had never been touched in the past 25 years. This was well received both at home and abroad. With the approval of the State Council, Guangdong, Hainan, and Fujian began to carry out their plans on reform of the grain purchase and marketing system. Their grain purchase and marketing prices are basically the same. Tianjin's experience in separating policy management of grain from normal management and having profits and losses handled on two tracks have been popularized in various areas. The central grain wholesale market in Zhengzhou and the regional grain wholesale markets in Anhui, Jiangxi, Hubei, and Jilin have been further improved. Recently, the State Council

issued another circular on enlivening circulation of agricultural products and strengthening construction of a socialized service system for agriculture. It will play an important role in perfecting the farm products purchase and marketing policy, breaking regional blockades, and giving play to the roles of state-owned and cooperative commerce as the main channels while encouraging the collectives and individuals to develop multichannel operation in the circulation sphere. It will also play an important role in gradually establishing and perfecting a farm products market system with the wholesale market as the center and in providing the peasants with comprehensive and coordinated services before, during, and after production. At the beginning of last year, Chongqing began to carry out experiment among 90 commercial enterprises to relax control over management, price, distribution, and employment. Very good economic and social benefits have been achieved in this field. The relevant experience is now being popularized throughout the country. By establishing capital goods allocation and distribution centers, Wuxi, Shenyang, and Shijiazhuang have blazed new trails in socializing materials circulation, rationalizing enterprise reserves, and promoting the circulation of major productive elements. Last year, readjustments were also made in the prices of railway transportation, crude oil, steels, and other basic products. This work has been developing steadily.

New headway was made in reform of the social insurance system and housing system. At present, there are already 52 million permanent workers and 14 million contract workers in the state enterprises who have joined the old-age pension scheme. In 2,227 cities and counties, pensions and insurance are included in overall social planning. The insurance system for workers awaiting jobs has also been basically established. Since last year, reform of the rural pension and insurance system has been carried out in 20 counties on an experimental basis, and the pension and insurance system for workers in export-oriented enterprises and institutions concerning foreign affairs or foreign nationals has been established. In some places, pensions and insurance have also been established for individual and collective workers. Last year, there was also a major climate for reform of the housing system. The State Council issued a "Circular on Actively and Steadily Carrying Out Housing Reform in Cities and Towns." According to preliminary statistics, overall and coordinated housing reform has been carried out in 12 cities and 13 counties and towns. In more than 300 other cities and towns, single-item reform has been carried out. Under the guidance of the unified policies of the central authorities, various localities have found many new channels for carrying out this reform in light of their local conditions. Apart from the rent reform, very good results have also been achieved by implementing other housing reform measures, such as selling public houses, raising funds to build houses, and paying deposits for renting houses.

Reform of the science and technological structure was further deepened. In March last year, to implement

Comrade Deng Xiaoping's instructions on "developing advanced science and technology to realize industrialization," the State Council approved the establishment of 27 national-level high- and new-tech industrial development zones. The State Science and Technology Commission and the State Commission for Restructuring Economic System issued a joint "Decision on Improving Policies Toward High- and New-Tech Industrial Development Zones To Promote the Development of High- and New-Tech Industries." It required resolutely and gradually pushing forward comprehensive reforms in the high- and new-tech industrial development zones beginning from last year so that China's high- and new-tech achievements could be commercialized, industrialized, and internationalized and so that the high- and new-tech industries could follow a new path by combining planning with market. Now it has been decided that Beijing, Shenyang, Wuhan, Zhongshan, and Chongqing will be the main cities for experiment on the high- and new-tech industrial development zones.

Reform of the financial and tax systems was further carried out. The interest rates for both deposits and loans were further reduced last year. In the issuance of treasury bonds, instead of the state monopoly in distribution, 25 percent of the bonds were purchased by the banks and other financial institutions for exclusive selling, and very good results were achieved. The market for long-term funds was developing more rapidly in 1991. Total value of all kinds of valuable securities increased from more than 100 billion yuan in 1990 to more than 240 billion yuan, and the transaction volume increased by nearly 100 percent. As a result of reform of the tax system, a new tax was established for readjusting the orientation of investment in fixed assets, and the former construction tax was abolished. The two income taxes for foreign-invested enterprises were merged into one, which was approved by the NPC.

The main problems in current economic life are: Economic structural readjustment is developing slowly, economic returns are comparatively low, and basic economic relations have not been well harmonized. These problems are mainly expressed in the lack of vitality in large and medium state-owned enterprises, and the fundamental reasons for them lie in the structure and mechanism. First, the proportion of management by mandatory planning is still too big, which has a greater influence on the development of large and medium state-owned enterprises. Second, there is excessive administrative interference by the government. The decisionmaking power the "Enterprise Law" bestows on the enterprises is not brought into play. Third, the price system is still irrational. Price relations are distorted, the price management structure has not been rationalized, and the role of market mechanism has been weakened. Fourth, the situation characterized by the enterprises and workers "eating from the same big pot" has not been fundamentally changed. Due to egalitarianism in distribution and unfairness in social distribution, the enthusiasm of enterprises and workers has been dampened.

The fundamental way out for solving all these problems is to further deepen the reform.

This year, reform must be combined with the implementation of the "Outline of the 10-Year Program and of the Eighth Five-Year Plan for National Economic and Social Development" approved by the State Council. It is necessary to strive for some substantial progress in establishing the new structure. It is necessary to deepen the reform by resolving the main contradictions in current economic life and to link the current measures with the measures adopted in past years so as to ensure the continuity and stability of various major reform measures. The main tasks for this year's reform are: 1) To give priority to enhancing the vitality of large and medium state-owned enterprises while deepening rural reforms, with stress on ensuring the decisionmaking power of the enterprises in production and operation, changing mechanisms in enterprises, and carrying out coordinative reforms to create equal conditions for competition among enterprises. 2) To speed up the pace of market circulation and reform of the social insurance system and actively push forward reforms of the macro-economic regulation and control system and distribution system. 3) To continue to strengthen experiments on some major reforms which it is still not possible to popularize in an all-around way due to the restrictions of certain conditions, so that conditions can be created for speeding up the replacement of the old structures by the new.

The year 1992 is the second year of the Eighth Five-Year Plan. The tasks for economic development and deepening reforms are very heavy. But we are confident that under the leadership of the party Central Committee and the State Council, we will be able to adhere to the four cardinal principles and the socialist orientation in reform and opening up and fully grasp the opportune time to further push forward reform in a down-to-earth manner.

Government To Further Solve Debt Defaults

OW0903154492 Beijing XINHUA in English
1423 GMT 9 Mar 92

[Text] Beijing, March 9 (XINHUA)—China is preparing to institute further measures designed to solve the problem of debt defaults between industrial enterprises and other sectors of the economy in order to improve the economic efficiency of state enterprises.

Sources from the third session of the national working meeting on the resolution of debt defaults between enterprises said that the country plans to settle debt defaults of between 80 to 100 billion during 1992.

At the same time, the value of stockpiled finished products will be slashed dramatically by 10 billion yuan, and the total amount of delayed payments between enterprises will be kept at the level in the beginning of this year.

The measures are expected to reduce the number of loss-making enterprises by five percent, and cut losses by over 10 percent.

Zhou Zhengqing, the State Council official charged with settling debt defaults, said the country surpassed its 1991 target of settling 100 billion yuan in debt defaults.

According to Zhou, China will continue to concentrate on eliminating the three major sources of debt defaults.

Zhou pointed out that the first major sources of debt defaults is excessive investments in fixed assets. He said that while efforts to settle the debt defaults on major state capital construction and technological renovation projects left over from last year will continue, the new measures call for stringent controls on debt conditions of major projects during 1992. Any project found to have defaulted on a debt will be forced to halt construction until all such debts are paid.

The state bank will also adopt preferential credit policies for enterprises successful in reducing stockpiled goods—the second major source of debt defaults.

Loss-making state enterprises represent the third major source for debt defaults, according to Zhou. He pointed out that China will continue to improve the product and management structure of enterprises, and will close or merge the enterprises which exhibit low efficiency.

Zhou said that strict measures will be adopted to punish enterprises which violate credit regulations.

Reforms Bring 'New Changes' in Living Standards

OW0503145992 Beijing XINHUA Domestic Service
in Chinese 0737 GMT 5 Mar 92

[Text] Beijing, 5 Mar (XINHUA)—According to investigations revealed by the State Statistical Bureau's urban investigation team, since reform and opening up, the ever-increasing family income of China's city residents has brought about new changes in their spending on major electrical appliances.

Gradual Shrinking of "Three Turns and One Sound"

Before reform and opening up, bicycles, sewing machines, and watches were the major family property of city dwellers. Young married couples simply placed owning of the "three turns and one sound" as their highest hopes when getting married. Since the Third Plenary Session of the 11th CPC Central Committee, living standards for urban residents have risen so rapidly that within a short period of three years, as of the end of 1981, these "three turns and one sound" were basically popular among urban families, with an average of 135.9 bicycles, 70.41 sewing machines, 240.76 watches, and 100.52 radio sets for every hundred families. As the residents' living standards improved further, the "three turns and one sound" have become common domestic appliances. As of the end of 1991, except for the sole increase in bicycles, which reached 188.72, the rest of the

three items showed a decrease of varying degrees. Radio sets, due to substitution by tape recorders, had been reduced to 41.14 for every hundred families, a decrease of 59.1 percent as compared to a decade ago. Ownership of both sewing machines and watches declined by 2.6 and 11 percent respectively, largely due to the shift to ready-made dresses and smaller family sizes.

From Taking Off and Popularization of "Six Old Things" in the Last Decade

Entering the 1980's, living standards for residents in both city and town areas were greatly enhanced, brought about by the gradual results of reform and opening to the outside world. People will not forget those days when the "six old things"—including an electric fan, washing machine, refrigerator, color television set, and camera—had just found their way into residents' homes as the "six new things." How many families then were relieved by the introduction of a washing machine, and delighted by ice-cold water melons in the summer and the viewing of "color" television. Again, how many families were excited to have their laughter recorded for the first time in their homes or to take their families for an outing to a park with a camera. A decade passed swiftly. With all these feelings still fresh in the mind, these "six new things," after rapidly turning popular, have become the "six old things." As of the end of 1991, the average ownership of electric fans for every hundred city families had increased from 43 in 1981 to 146, with more than 10 southern provinces exceeding 200; refrigerators from 0.22 in 1981 to 62, with Beijing, Tianjin, Shanghai, Zhejiang, and Hubei respectively exceeding 80; color television sets from 0.59 in 1981 to 75, a 126-fold increase, with Beijing, Guangdong, Tibet, and Ningxia respectively exceeding 90; tape recorders from 13 in 1981 to 76, up by 4.9 times; washing machines from 6 in 1981 to 84, an increase of 12.2 times; and cameras from 4 in 1981 to 28, a 5.5-fold increase. Taking a comparison with foreign countries, it took Japan about 15 years—from the mid-1960's to early 1980's—to popularize color television sets and an even longer time for the United States. The case of China, where various domestic electrical appliances were popularized within a short span of 10 years, is rare internationally.

The Swift and Strong Arrival of the "Three New Items"

Entering the 1990's, with a sustained increase in residents' monetary incomes, per capita subsistence incomes for residents in cities and towns have reached 1,570 yuan. In the past two years, an average annual increase rate of 11.6 percent was recorded with more than 25 cities having per capita subsistence incomes exceeding 2,000 yuan and average annual family incomes reaching 7,000 yuan. While the "old six things" have become popular, city dwellers have also started heading for the new consumer targets of video recorders, combined sound systems, and telephones, all of which gradually found their ways into the homes of ordinary residents. According to statistics, the ownership of video recorders

and combined sound systems for every hundred families in cities and towns in 1991 were 1.23 and 0.44 respectively. Their rate of popularization was even faster than that of the "old six things" in the 1980's. By the end of 1991, for every hundred families in Beijing, there were an average of 28.4 video recorders and 8.2 combined sound systems. Family telephones, a reflection of modern family life, are also expanding rapidly. As of January this year, for every hundred families in Beijing, there were 12.5 telephones, of which 4.7 were installed at the owners' own expense. With the development of production and the increased income of residents, it is expected that the "three new items" will quickly gain popularity among city families within a couple of years.

Government To Issue \$5.56 Billion in Bonds

HKI 603060392 Beijing CHINA DAILY in English
6 Mar 92 p 1

[By Liu Hong: "State To Issue Y [Yuan] 30 Billion in Bonds"]

[Text] The Chinese Government plans to float a record amount of bonds this year to tap the huge potential capital resources that are in the hands of individuals.

The projected sales of the State treasury bonds will amount to 30 billion yuan (\$5.56 billion), a senior Chinese official with the Ministry of Finance told CHINA DAILY yesterday.

That will be 10 billion yuan (\$1.85 billion) more than last year's sales, said Zhang Jialun, deputy director of the ministry's State debt management department. Sales are scheduled to start next month, he added.

In addition to an impending aggregate demand for more capital to rev up economic growth this year, the record repayment to the 30 billion yuan worth of State treasury bonds maturing this coming August is behind the government decision to mobilize the mounting personal savings in the country.

This is the last year of the State treasury's three-year debt service peak. Next year the repayment will drop by two-thirds as only some 10 billion yuan worth of State treasury bonds are due to mature then, Zhang said.

Although the accumulation of idle funds in China is snowballing, competition to win over investors is expected to be sharp as various enterprises will also try to raise an enormous amount of funds on their own this year.

The competition will mostly concentrate on interest rates and duration of the bonds, Zhang noted.

State treasury bonds enjoy a good credit standing and the interest is tax exempt, he added.

State bonds are expected to fetch an interest rate one percentage point higher than bank savings deposited for a similar term.

However, further efforts will be made to promote the underwriting system, which purchases the government bonds and sells them to individuals. Zhang estimated that local financial institutions across the country this year will purchase about 80 percent of the 30 billion yuan in bonds and then sell them to individuals.

The underwriting system was initiated last year to make the State treasury bonds more attractive. In the past, bond sales were conducted largely on an administrative rather than a voluntary basis.

The new practice proved very important in promoting bond sales last year, Zhang said.

The ministry has sold an accumulative total of 130 billion yuan (\$24 billion) worth of government bonds and currently some 100 billion yuan (\$18.52 billion) worth of the outstanding State bonds can be bought and sold on the securities market.

Competing with the State bonds on the basic-level security market will be an estimated 50 billion yuan (\$9.26 billion) worth of various new issues of corporate bonds, according to the China Stock Exchange Executive Council.

However, experts with the council believe that astronomical personal savings in the country will provide a ready market for this year's new issues of bonds.

They put that untapped money source at around 1,100 billion yuan (\$203.7 billion)—that means individual investors have currently taken out only 10 percent of their money and invested it in securities.

Enterprises Advance Shareholding System

*OW0503042492 Beijing XINHUA in English
0201 GMT 5 Mar 92*

[Text] Shenzhen, March 5 (XINHUA)—China's enterprises will unswervingly try out the share-holding system, according to a recent national meeting here.

The meeting, attended by enterprises from across the country that are trying out the share-holding system, has affirmed the correctness of the practice of share-holding system in enterprises in recent years.

Government officials, experts and representatives to the meeting agreed that the share-holding system is a form to organize enterprise property, and it can be used by either capitalism or socialism.

The practice of the share-holding system will help China to tackle many key issues in macro-economy and enliven its enterprise economy.

The meeting also discussed the problems that appeared in the trial operation of the share-holding system and called for speeding up the formation of legislation and policy about the organization and trial practice of share-holding organizations.

Some Enterprises Said 'Operating Deceptively'

*HK0803061292 Hong Kong ZHONGGUO TONGXUN
SHE in English 0704 GMT 7 Mar 92*

[Text] Beijing, March 7 (HKCNA)—Some 600,000 enterprises across the country claiming to be collectively-owned, state-operated, joint ventures, schools, welfare and intellectual organizations have been found to be operating deceptively. As a result, the state suffered an annual loss of RMB [renminbi] 6 billion at least calculated on annual tax evasion of RMB 10,000 by each such enterprise.

Information resulting from an overhaul of taxation, finance and prices carried out at the end of last year showed that such enterprises operating under different bogus names and titles were rampant and were committing a breach of the financial laws. It has become so serious that the situation should be rectified and curbed.

The seriousness of such breaches came in several areas. First, such enterprises appeared in numbers. Some 507 such enterprises were cracked down on in the Tiexi District of Shenyang, 25 percent of the collective enterprises there.

Second, such enterprises employed a wide variety of false names.

Third, such enterprises seriously contravened the financial and economic laws and regulations. The operation of these enterprises under false names in itself was a criminal offence while they violated financial and economic laws by dodging paying as much as 60 percent of due tax. An individually-owned enterprise under the guise of state-ownership in Tianjin profited by illegally selling steel materials and industrial chemicals over the past three years with a turnover of RMB 18.7 million and tax evasion of some RMB 2 million.

The main reason for the existence of such enterprises is preferential policies such as tax reduction being given by the state to enterprises including joint ventures, collectively-owned enterprises, school run workshops, school-graduate enterprises and welfare enterprises. A number of individual enterprises and privately-owned business households pose as such enterprises in a bid to achieve greater economic results. Units which help such enterprises are happy to cooperate because they can earn a considerable amount of money from it by lending them their name.

Some quarters are appealing for action to be taken on such enterprises because they are resulting in a great loss of revenue to the state, they disturb normal economic order, they are responsible for unfair social distribution, they encourage corruption and hinder further opening in circulation.

'Bigger Share' for Rural Enterprises in Economy

OW0603100192 Beijing XINHUA in English
0924 GMT 6 Mar 92

[Text] Beijing, March 6 (XINHUA)—Rural enterprises in China have begun to take a bigger share in the country's economic development.

In seven years, the total output value of the rural enterprises has increased from 100 billion yuan to 1,200 billion yuan. Now one quarter of the country's total social output value and one third of its industrial output value come from rural enterprises.

Rural enterprises are also a major source of funds for the country's construction. In 1990 and 1991, they accumulated about 150 billion yuan for the country. Last year rural enterprises offered farmers 120 billion yuan in wages.

The 1980s saw a fast growth of rural enterprises in China, and they are expected for a further growth in the years to come.

Agriculture Minister Stresses Antidrought Campaign

OW0903122392 Beijing XINHUA Domestic Service
in Chinese 0832 GMT 8 Mar 92

[Report on interview with Agriculture Minister Liu Zhongyi by reporter Pu Liye (5543 4539 2814) and trainee Zheng Weifu (6774 4850 1381) in Beijing "recently"]

[Text] Beijing, 8 Mar (XINHUA)—During an interview with these reporters recently, Agriculture Minister Liu Zhongyi stressed: The large number of cadres and the masses in north China's wheat-growing areas should go into action promptly, seizing the favorable time while the drought situation has been eased through continuous rain and recent snow, to strengthen field management in accordance with the local conditions and seedlings and to conscientiously do a good job in preparing for spring plowing, combating drought, keeping a full supply of seedlings, and ensuring spring sowing as our main concern.

Liu Zhongyi said: Thanks to the all-out antidrought efforts of all localities and the recent rainfall, summer crops are growing satisfactorily in most areas. As long as we strengthen the field management in the spring, a harvest of grain and oil-bearing crops this summer is still achievable. Liu Zhongyi stressed: To conduct spring plowing in a down-to-earth manner and to ensure an agricultural harvest this year, all localities should seize the opportunity and attach importance to the following tasks:

1. Continue to attend to the antidrought effort to keep seedlings in good shape and ensure spring sowing. According to the Central Meteorological Observatory's forecast, the drought may expand further in most parts

of north China; therefore, all localities should be mentally prepared for a protracted antidrought effort and seize the time at which the drought is alleviated after rain and snow to drill wells, clear up the sludge, and repair irrigation ditches. Areas along the Huang He should divert the water from this river for combating drought and spring irrigation.

2. Ensure the basic size of the sown area. While making arrangements for this year's spring sowing, all localities should understand that they will again have to "achieve a bumper harvest in autumn to make up for the poor summer harvest" this year. In determining the sown area of autumn crops, the principle of "maintaining general stability and making minor readjustments" must be followed, with a view to ensuring the basic stability of this year's total grain output. Particularly in hard-hit areas, the output of summer-harvested crops may be reduced, and this should be made up by an increase in the output of autumn grain.

3. Seize the time after the rain and conscientiously enhance the management, according to local conditions and seedlings, to accelerate the growth of wheat seedlings. To make the wheat grow soundly in the spring, drought-stricken areas should spread additional manure on the seedlings, bank up their roots, and conserve soil moisture by taking into account the features of wheat—small in colonies, weak in seedlings, slow in growth, and great differences among different strains. In localities where the dry spell is over or is basically over, cultivation and additional manuring should be emphasized. Manpower should be organized promptly to cultivate the land, conserve soil moisture, and destroy weeds. In localities where the drought has eased but is not yet over, efforts should be concentrated on hoeing weeds, banking up the roots of wheat seedlings, conserving soil moisture and integrating it with irrigation work, delivering snow, alleviating the drought with ice, and additional manuring.

4. Make early arrangements for the management of wheat fields during the period near the harvest. We should attach importance to nourishing the roots, protecting the leaves, and increasing the kernel weight of the wheat, and should conscientiously make arrangements for the comprehensive prevention and control of wheat diseases and pests and for the work of "spraying fertilizers to prevent three phenomena"—spraying hormones and fertilizer containing only a trace element on leaves to truly prevent diseases and pests, bacterial wilt, and the dislodging of seedlings. In south China, where it is overcast and rainy and the sunshine has been rare, three kinds of effective trenches should be made to prevent waterlogging and weeds.

5. As the busy season for the spring plowing draws near, all localities should concentrate their efforts on making early arrangements and an early start for full preparations for the spring plowing. As for the fallow land that needs to be plowed under in the spring, it must be tilled and its soil moisture must be conserved in order to rush

the timely planting of the early spring crops. As for the wheat fields in which a severe shortage of seedlings is seen and the quality of seedlings is very poor, preparations should be made for interplanting. Meanwhile, all localities should prepare all kinds of means of agricultural production.

Liu Zhongyi also disclosed: To assist localities in spring plowing, the Ministry of Agriculture has dispatched eight task groups to Shandong, Henan, Shaanxi, Hubei, Jiangsu, and other places and has prepared some chemical fertilizers, diesel fuel, and other means of production for antidrought efforts.

East Region

Anhui Leaders Discuss Promoting Reform, Opening

OW0903063392 Hefei Anhui People's Radio Network
in Mandarin 1100 GMT 8 Mar 92

[From the "Provincial Hookup" program]

[Text] On the afternoon of 4 March, Lu Rongjing, secretary of the provincial party committee; Yang Yongliang, deputy secretary of the provincial party committee; Vice Governor Long Nian; and 25 leaders of commissions, offices, and departments studied the relevant directive of the Central Committee and discussed ways to transform the functions of governments so as to promote reform and opening to the outside world.

In their study and discussions they said that government organs at the provincial level should take the lead in this respect and set a good example for other government departments. It is necessary to transfer some of the overcentralized powers to lower-level units, simplify examination and approval procedures, and further improve work style. They agreed that the transformation of government functions involves many things. It is also a readjustment of power and interests. Therefore, it is necessary to further emancipate our minds. It is necessary to establish mechanisms for competition, incentives, and restrictions in government departments. This will enable government functionaries to work enthusiastically in invigorating our province's economy.

Anhui Deputies Discuss Government Report, Economy

OW0903041192 Hefei Anhui People's Radio Network
in Mandarin 1100 GMT 8 Mar 92

[From the "Provincial Hookup" program]

[Text] During group discussions of the government work report, the draft 10-Year Program and Eighth Five-Year Plan, deputies attending the fifth session of the seventh provincial people's congress expressed their opinions freely. Most of their discussions centered around reform. They deputies agreed that it is necessary to step up reforms and accelerate the pace of invigorating Anhui.

Zhang Zhaoda, Jing Zhongshen, Xu Tao, and Cheng Jian, all deputies from Xuancheng Prefecture, pointed out: The Eighth Five-Year Plan period is a critical period for economic development in our province. If we are satisfied with advancing with small strides and with making some achievements every year, we will once again lose a good opportunity. We should be soberly aware of this. We have the sense of crisis and the sense of urgency to make up our minds to step up reforms, catch up with the advanced, and enter into competition.

Deputies Zhang Xiaolan and Jin Xingbao from Wuhu said: Development of the Wanjiang area was raised as a strategic policy decision for developing Anhui's economy and was a major move in opening Anhui to the

outside world. We should follow the instructions of a central leading comrade who said that it is necessary to further emancipate the mind, be bolder, advance at a faster pace, boldly make experiments, and boldly blaze a new trail.

Chen Rui and Zhang Lizhi, deputies from Hefei, and Zhao Zhinan, deputy from Tonglin noted: In economic development, if we compare our province with coastal areas, the pace of development in our province is slow. The principal question is that we have not emancipated our minds, are not bold enough, and have made no serious efforts to blaze a new trail. Now we must have the sense of urgency and take advantage of the fruits of human civilization to develop our economy. We should not be bound by worries.

Deputies Qin Defen, Huang Jingcao, and Liu Zhengbo from Fuyang Prefecture pointed out: Some rural areas in our province lack the resolution to carry our reforms because they are restricted by the notion of a small-scale peasant economy and traditional modes of operation. Therefore, party committees and governments at all levels should provide prompt guidance to these areas in order to help them foster the concept of large-scale agricultural production develop high-yield, high-efficiency agriculture.

Zhou Fengshun, deputy from Anqing, and Sun Wenruo and Zhong Mingda, deputies from Huainan, said: The spring tide of reform has brought us new hope and motive force. The provincial party committee and the provincial government, seizing the good opportunity to step up reform and opening to the outside world, have set an inspiring goal for us to achieve. Various cities, counties, and townships are making serious efforts to push forward reform and opening to the outside world.

Deputies Zheng Huaizhou, Zheng Cheng, and Chen Tianren from Bengbu pointed out: As our province's economy lags behind the advanced surrounding provinces, we should explain this clearly to cadres and the masses, uncover our advantages, and learn about the situation in which we find ourselves. Otherwise, how can we further emancipate our mind and advance at a faster pace? Now we should have a good grasp of the situation, dare to think, dare to blaze a new trail, and firmly grasp economic development.

Chen Guangyi on Opening Up to Outside World

HK0603134492 Fuzhou FUJIAN RIBAO in Chinese
22 Jan 92 pp 1, 2

[Report by Zheng Xinggao (6774 5887 7559), Xue Dong (5641 2639): "Provincial Party Secretary Chen Guangyi Makes Important Speech at Provincial Work Conference on Opening to Outside World"]

[Text] The Fujian Provincial CPC Committee Work Conference on Opening to the Outside began in Fuzhou yesterday. The major tasks at the conference were to: Study how to implement the spirit of Comrade Jiang

Zemin's speech given at the meeting celebrating the 10th anniversary of the founding of the Xiamen Special Economic Zone [SEZ]; thoroughly and systematically sum up the achievements and major experiences in Fujian's opening to the outside world since the fourth meeting of the fourth provincial party committee; further emancipate the mind; and to discuss and set the objectives, tasks, policies, and measures for the Eighth Five-Year Plan and the next decade.

On behalf of the provincial party committee, Secretary Chen Guangyi delivered an important report entitled "Further Emancipate the Mind, Expedite Experimentation of Comprehensive Reforms, and Usher in a Situation for Fujian's Opening to the Outside World in the 1990's." Provincial Deputy Secretary and Governor Jia Qinglin presided over the conference. Conference attendees included Lin Kaiqin, Wang Jianshuang, Zhao Xuemin, Chen Shuqing, and Chen Mingyi, members of the provincial party committee standing committee; Wen Xiushan, Zhang Yumin, You Dexin, Xu Jinmei, leaders of the provincial Chinese People's Political Consultative Conference; and Huang Yiyu, provincial party committee advisory committee member. Conference participants were the party secretaries of various prefectures and cities, commissioners, mayors, persons in charge of relevant departments of various prefectures and cities, county (county-level city) and district party secretaries, county (county-level city) and district heads, and persons in charge of various departments, committees, offices, sections, and bureaus directly under the provincial authorities.

Chen Guangyi's report was divided into four parts: First, profound changes, firm pace; second, see the situation clearly and enhance the sense of urgency; third, broaden one's horizons and explore new roads; fourth, strengthen leadership and confirm the correct direction.

In his report, Chen Guangyi said: Fujian was one of the first provinces to open to the outside world. Since the Third Plenary Session of the 11th CPC Central Committee, the central authorities have permitted Fujian to take "special and flexible policies" for economic activities with foreign countries. By diligently and properly using the various policies permitted by the central authorities, we have vigorously promoted the entire province's opening to the outside world. The "Fujian Provincial CPC Committee's Decision Regarding Expediting Opening Up and Reform and Vigorously Developing the Export-Oriented Economy," adopted at the fourth meeting of the provincial party committee, symbolizes that Fujian's opening up has embarked on a new stage of development after its founding and laying the foundations. For over five years now, with the concerted efforts and courageous exploration by the people across the province, Fujian's economic and social outlook has changed profoundly, its comprehensive economic strength has obviously improved, and its reform and opening up are demonstrating good prospects for development. Following the founding of the Xiamen SEZ, Fujian's coastal open cities, the Mawei Economic and

Technological Development District, and the coastal economic open areas before 1986, Fujian set up the investment areas of Mawei, Xinlin, and Haicang for Taiwan businesses and the Fuzhou and Xiamen High-Tech District and a number of areas for foreign businesses to develop large tracts of land, thus forming an omnidirectional, multifunctional, and multitier open belt. Fujian has made great progress in foreign economic and trade cooperation and its export-oriented economy is gradually developing toward a larger scale, a better layer, and a higher level. In 1991, exports reached \$2.81 billion, a 3.85-fold increase over 1986. Over the past five years, Fujian has examined and approved a total of 4,163 foreign-funded projects with a total of agreed foreign funds of \$4.56 billion and the actual funds used reaching \$1.92 billion, a 3.8-fold increase over those used seven years ago. Foreign investment is developing from small investment projects to large ones, from scattered development to the development of tracts of land, from a low level to a higher level, and from coastal areas to mountainous areas. There has also been comparatively good progress in contracting foreign projects and in labor cooperation. Cultural, scientific, and technological exchanges are becoming increasingly frequent. At present, Fujian has established friendly contact and cooperation relations with over 130 countries and regions around the world.

Chen Guangyi said: Since the fourth meeting of the fourth provincial party committee we have accumulated some beneficial experiences in the practice of opening to the outside world. They can be summed up from the following six aspects: First, assess and judge the time and situation, emancipate the mind, and strengthen the concept of opening up; second, priority should be given to development of the infrastructure, which should be simultaneously developed with the intangible conditions to gradually enhance Fujian's attractiveness to foreign businesses; third, use reform to promote opening up and make efforts to establish operating mechanisms suited to the export-oriented economy; fourth, mountainous and coastal areas should cooperate with each other and classified guidance should be given to utilize the overall advantage of opening to the outside world; fifth, develop economic and trade cooperation through a variety of channels and modes and in light of the province's conditions; and, sixth, strengthen the party's leadership and ensure that the "emphasis on the two civilizations" is implemented in the entire process of opening to the outside world.

Chen Guangyi stressed that consolidating the faith and enhancing the senses of urgency and responsibility are the important preconditions for ushering in a new situation for Fujian's opening to the outside and are determined by the current international and domestic situations. At a time when we are faced with opportunities and challenges, and when development and restriction coexist, we must change the pressure into a driving force, show the correct road according to the trend of the times, carry forward the strong points, remove the weaknesses,

press on, and move ahead in the face of difficulties. Leaders at all levels must arouse their enthusiasm, establish their confidence, rally forces from all quarters, further implement the economic development strategy for coastal areas, energetically develop the export-oriented economy, and work hard to usher in a new situation of opening to the outside in the 1990's.

Chen Guangyi said Fujian's opening to the outside world in the 1990's has the following general demands: Thoroughly implement the party's basic line, mobilize people across the province and rally them around the second-step strategic objective for national economic and social development, further emancipate the mind, improve the comprehensive reform experiments, expedite Fujian's opening to the outside world, and: Bring about the new situation of openness in which "southern and northern Fujian are developed, the middle part booms, and their gradual development brings along the development of the whole province"; upgrade the export-oriented economy and improve opening to the outside world; and promote the sustained, steady, and coordinated development of the national economy. In line with the above-mentioned demands, we must actively complete all tasks entrusted to Fujian's opening up by the second-step strategic objective for the national economic and social development and work hard to build Fujian into a stable, prosperous, civilized, and comparatively well-off open province.

Speaking about exploring the new ways of opening to the outside, Chen Guangyi said: It is necessary to further emancipate the mind and blaze new trails with a still broader mind. Emancipating the mind, seeking truth from facts, and courageously blazing new trails are necessary requirements for us to uphold the party's basic line and build socialism with Chinese characteristics. Every step Fujian has taken since its reform and opening up has been guided by emancipation of the mind. In order to enlarge the extent of openness to the outside world in the 1990's, it is first of all necessary to proceed with further liberation and work hard to change the stand of opening to the outside to that of relying on our own creative work. He further pointed out that our thinking still cannot meet the demands of the new situation, which is continually developing and changing. Although everyone is enthusiastic about promoting the deepening of reform and enlarging the extent of openness, frankly speaking: Our thinking is not sufficiently emancipated; our horizons are not broad enough; our trailblazing and development concept and concept of the commodity economy are not strong enough; our measures and methods are not inadequate; and the policies and measures adopted by the CPC Central Committee and the State Council are not fully used to the best effect. Moreover, I must point out that some comrades in our functional departments still do not have a strong concept of supporting and serving the grass roots and even harbor selfish departmentalism and do things in their own way. They do not create conditions for reform and opening up by all means but are limited by rigid rules

and thus restrict the arms and feet of grass-roots cadres and the masses. All these problems affect our reform and opening up and the development of our various undertakings. It is necessary to be greatly determined to resolve them. Emancipating the mind means removing the old rigid rules, which are unsuited to the development of productive forces and which hinder reform and opening up, studying the new situation, resolving new problems, and working creatively. It means that we should stand up high and see farther and subject partial interests to the overall interests. It means that we dare to assume responsibility, be good at serving, and be glad to make sacrifices. It means, in the final analysis, that while we are changing the objective world, we must work hard to remold our subjective world and that we do not "resort to higher authorities nor to books, but to facts." In this way, we establish a correct ideological understanding and actively engage ourselves in the practice of building socialism with Chinese characteristics. In the process of emancipating the mind, leading cadres at all levels should first set an example. They should have the will and courage to stand in their own posts, face the future, and head toward the world. They should prepare and plan for reform and opening up on the basis of accurately understanding the spirit of central authorities, think independently in light of the actual situation, and continue to use the preferential policies adopted by the central authorities properly, and carry out the strategic preparations of the central authorities with effective work performances. They should be good at looking for, training, and courageously using talented and virtuous people who possess a strong concept of reform and opening up, ensuring that these people are selected and appointed. It is necessary to respect the pioneering spirit of vast numbers of cadres, promptly sum up fresh experiences, and guide and promote the overall work. Cadres and the masses across the province should have a wide field of vision, open wide their way of thinking, and firmly establish the concept of the importance of the overall situation. They should form a cooperative force to energetically do things conducive to reform and opening up. For those things that must be done as the situation demands but, for various reasons, cannot be done for the time being, we should work hard to create conditions to do them. In short, everyone in the province should have his mind further emancipated and his way of thinking widened and measures should be more flexible and the pace should be quicker. We should be good at continually taking larger steps to expedite Fujian's reform and opening up.

Chen Guangyi stressed that it is necessary to usher in a new pattern of opening to the outside in the 1990's by promoting development with opening up and promoting opening up with development. He said: In the 1990's, Fujian's opening to the outside world should have the pattern in which "southern and northern Fujian are developed, the middle part booms, and their gradual development brings along the development of the whole province." The Xiamen SEZ should play the role of "frontline soldier" in reform and opening up and should

act as an important window for the economic and cultural exchanges between the two sides of the Taiwan Strait. It should develop itself with a quickened pace into a modern port city and a comprehensive and export-oriented socialist SEZ, which is based mainly on industry and guided by science and technology and whose tertiary industries, including banking, trade, tourism, consultation, information, real estate are well-developed. It should in turn bring along the development of the mouth of the Jiulong Jiang and develop toward the south and spread across west, thus forming southern Fujian's delta economic zone based mainly on export-oriented industries. Fuzhou should be built into an open city whose trade, industry, science, and technology is integrated and whose tertiary industries boom and are well matched. With economic and technological development areas taking the lead, and with urban areas for dependence, the Minjiang Delta Open Belt should be formed by linking Fuqing, Changle, and Lianjiang. This will, in turn, nurture the development of the Minjiang Valley and northeastern Fujian. Meizhouwan should look to the cities of Quanzhou and Putian for dependence, expedite construction of its harbor and new industrial areas, and create conditions for major development projects and for attracting overseas Chinese, Hong Kong and Taiwan compatriots, and foreign businesses. It should gradually establish a comprehensive development area oriented mainly by heavy industry, tourism, and export processing industries, and spread its effect inland using the Fuzhou-Xiamen Highway and the Zhangzhou-Quanzhou-Meizhouwan Railroad as the major routes, thus promoting the opening up and development of central Fujian. Coastal open areas should emphasize the development of large tracts of land and the development of new types of industrial areas. They should be based on foreign-currency earning agriculture, mainly supported by developed township and town industries, and built into a number of economic areas whose export-oriented economy and tertiary industry are comparatively developed; whose urban and rural areas are integrated; and which can bring along rural social and economic development. Inland areas should bring into full play their role as the hinterland in implementing the province's export-oriented economic development strategy. It should organically integrate opening up, development, and economic development; develop individually distinctive open economies based mainly on resources processing with emphasis on the development of resources and the development of the areas along the railroad line; and promote the comprehensive invigoration of the economy, thus forming the abovementioned pattern. It is necessary to give classified guidance and adopt strategic measures for cooperation between mountainous and coastal areas and for their coordinated development. In the 1990's, the Xiamen SEZ will gradually relax first-line management and improve second-line management. Under the state's macroscopic regulation and control, product bonding and processing and the entry and exit of personnel and goods will have a greater degree of freedom on the island. It is necessary to

establish bonded industrial areas in Fuzhou, Meizhouwan, and at the mouth of the Jiulong Jiang, which have the functions of storing goods, distributing, packing, processing, and entrepot trade, and set up a bonded market of the means of production. It is necessary to gradually change the coastal townships into towns so that they can be treated as industrial satellite towns and practice the management system whereby towns lead the development of villages. We should bring into full play the role of special policies and flexible measures and make sure that projects guide policies, policies guide openness, and openness guides development, thus continually enlarging the width and depth of regional openness. It is necessary to strengthen the horizontal union of coastal and mountainous areas and cause one to supplement and benefit the other with their strengths to promote the development and opening up of mountainous areas. We will: Enlarge Fujian's openness to inland provinces; formulate preferential policies; encourage various ministries and commissions of the central authorities, various investment companies, and inland provinces and cities, to invest in Fujian; promote the development of the horizontal union in an omnidirectional, multitier, wide-embracing, and high-returns way; and we will bring into better play Fujian's role as a bridge linking inland areas and the outside world and its two-way radiating function in China's economic development. Foreign investment in the development of large tracts of land is an important mode of Fujian's opening to the outside world in the 1990's. We should do this job unswervingly and make it a success. It is necessary to further improve the investment environment, adopt preferential development policies, raise more funds, expedite the construction of infrastructure, and keep an eye on the development of the 11 major traffic and transportation projects, the 10 major energy projects, and the 10 major post and telecommunications projects, and so forth. We should make a great effort to improve the "intangible" investment environment, improve services and management systems for foreign investors, further simplify examination and approval procedures, delegate the powers of examination and approval, upgrade work efficiency, protect the rights and interests of foreign investors, and attract more foreign businesses to invest in Fujian.

Chen Guangyi said that we should expedite reform and the extent of reform. He said: In the 1990's, Fujian should use further deepening of reform as a driving force for the enlargement of the extent of openness and bring into play the role of experimental comprehensive reform areas. We should continually promote such experiences in other areas and link them with specific experimental areas, taking an early step in establishing economic management systems which conform to state macroeconomic regulation and control and international practice and which are suited to the development of the export-oriented economy, while instituting operating mechanisms for the planned commodity economy.

On the basis of consolidating the results of Fujian's foreign trade system reform, and in line with the principle of "contracting at two levels involving enterprises, regulation, and control at separate levels, ensuring that revenues are turned over, changing the mechanisms, and revitalizing enterprises," we should deepen foreign trade system reform and further change the enterprise operating mechanisms to really enable enterprises to: Make unified policies; engage in fair competition; operate independently; assume sole responsibility for their profits and losses; integrate industry and trade; implement the representation system; and adopt a concerted and united attitude toward the outside world. We must strengthen the integration of industry and trade, agriculture and trade, and technology and trade, and develop the industry-trade, agriculture-trade, and technology-trade-integrated joint ventures, and organize and set up export-oriented enterprise groups, bringing a large number of relevant medium and small enterprises into the international market. Moreover, it is necessary to continually improve the foreign-trade macroscopic management system and continuously explore foreign-trade management systems which integrate planned regulation and market regulation, comprehensively utilize various economic levers, and enhance the vitality and competitiveness of foreign-trade enterprises with foreign countries. It is necessary to vigorously promote import management system reform, improve import and export matching policies, adopt flexible measures, utilize foreign funds positively and effectively, and form a mechanism coordinating import and export. It is necessary to further explore ways of attracting foreign and Taiwan capital and widen fundraising methods, smooth fund accommodation, and properly match jobs for attracting foreign and home capital. It is necessary to: Further reform the circulation system; strengthen the market systems; introduce competition mechanisms; appropriately relax restrictions on foreign investment in tertiary industries; and quicken reform of commerce, trade, real estate, transportation, traffic, information, consultation, tourism, entertainment, the catering and service industries, for the greater development of Fujian's tertiary industries. We must comprehensively and positively develop tourist resources and continually improve services and facilities. In keeping with Fujian's demand to develop the export-oriented economy and widen the extent of openness to the outside world, we must also further deepen reform of the planning, commodity price, investment, financial, personnel, labor wage, housing, and social security systems; solve the deep-seated problems in economic structure and operating mechanisms; and create a favorable external environment for Fujian's opening to the outside.

Chen Guangyi urged making the best of overseas Chinese and Hong Kong and Taiwan compatriots and introducing capital, technology, and talented people. He said: Overseas Chinese and Hong Kong and Taiwan compatriots are a great advantage to Fujian's opening. We must continually place united front work, overseas Chinese affairs, and Taiwan and foreign affairs in a

prominent place; actively launch overseas friendship activities; strengthen ties with overseas Chinese and Hong Kong and Taiwan compatriots; deepen friendships with old friends; make lots of new friends; make the best of the important functions of introducing capital, technology, management experience, talented people; open up the international market; and increase Fujian's influence on the outside world. It is necessary to continually: Uphold the principle of "simultaneously developing large, medium, and small projects and welcoming overseas Chinese, Hong Kong and Taiwan compatriots, and foreigners," and of "using the examples of Hong Kong compatriots, overseas Chinese, and Taiwan compatriots themselves to attract Taiwan compatriots and foreigners"; start the undertakings in all directions; strive to make greater progress in the utilization of foreign funds; introduce technology, advanced management experiences, and talented people; and so forth.

Chen Guangyi said: The capability to earn foreign exchange through export determines, to a large extent, the extent and scope of Fujian's opening to the outside world and influences the scale and progress of Fujian's economic development. We should regard the earning of foreign exchange through exports as a job which furthers the comprehensive development of Fujian's economy. The more open we are to the outside world, the more attention we should pay to developing socialist spiritual civilization and to socialist democracy and legal system. Also, the more we should strengthen the party's leadership, and thus ensure the healthy development of Fujian's openness to the outside world. We must unify upholding the four cardinal principles and reform and opening up, drawing a clear line between reform and opening up based on upholding the four cardinal principles and "reform and opening up" based on bourgeois liberalization. Under the current complicated international situation and the heavy tasks in domestic economic construction, we must unswervingly and thoroughly implement the party's basic line, further emancipate the mind, expedite reform and opening up, change the work style, do practical things, and concentrate our energies on boosting the economy. It is necessary to strengthen study of Marxism-Leninism-Mao Zedong Thought; work hard to improve our political quality; maintain a sober mind; take a firm position; consolidate our faith; be good at observing and coping with problems from a political perspective; stick to the steadfastness of revolutionary principles and the flexibility of strategies; safeguard the dignity and interests of socialist states and our nation; and unswervingly stick to the correct socialist direction of opening up to the outside world.

Shen Daren Bids Farewell to Education Team

OW0803020892 Nanjing Jiangsu People's Radio
Network in Mandarin 1015 GMT 7 Mar 92

[By station reporter (Miao Yixiang); from the "News" program]

[Text] Provincial leading comrades Shen Daren, Chen Huanyou, Sun Jiazheng, Cao Hongming, and Hu Fuming arrived at the Party School of the Provincial Party Committee today to pay a cordial visit to and see off members of the team who will soon leave for Huaiyin, Yancheng, and Xuzhou to conduct socialism education in rural areas.

Provincial Party Committee Secretary Shen Daren called on team members to conduct thoroughgoing education in socialist ideology, carry on the work of helping the poor in a down-to-earth manner, and temper and improve themselves in practice so as to justify the great trust placed in them by the party.

Governor Chen Huanyou said, at present, the important point of the work of the party and government is to see to implementing the one central task of economic development and the two basic points of adherence to the four cardinal principles and implementing the reform and open policy. He expressed the hope that team members will conduct their work like pioneers at the grass-roots units; use the party's line, guiding principles, and policies to bring into play the initiative of the masses; and arouse the inherent enthusiasm of the local cadres and masses in a bid to promote various tasks in the local areas to which they are assigned to a new level.

Comrades Sun Jiazheng, Cao Hongming, and Hu Fuming also spoke during the meeting. They maintained that the work in which team members are engaged is one that will pioneer a new period of development and called on them to rely on the local cadres and masses wholeheartedly in carrying on their work, work hard, and make contributions to economic development in poor areas as well as education in socialist ideology in rural areas.

Six hundred members of the team for the work to conduct education in socialist ideology are scheduled to depart on 10 March for the areas to which they are assigned.

Jiangsu People's Congress Session Views Report

OW0803040292 Nanjing Jiangsu People's Radio Network in Mandarin 1015 GMT 7 Mar 92

[From the "News" program]

[Text] Deputies attending the Fifth Session of the Seventh Jiangsu Provincial People's Congress held group discussions to examine the government work report delivered by Governor Chen Huanyou today. They maintained that Chen Huanyou's report embodies the guidelines of the party's basic line, the spirit of seeking truth from facts, the guiding principle of implementing reform and the open policy, and the strategic position of agriculture; points out the achievements scored by our province in carrying out construction last year as well as the existing problems; and indicates the determination of the provincial government to implement the guidelines of the central working conference, step up efforts to

carry out reform, and quicken the pace of opening Jiangsu Province to the outside world in making arrangements for this year's work.

Touching on the issue of further emancipating the mind and quickening the pace of reform, Deputy (Zhu Xiazhao) of Nanjing said: It is necessary to change once and for all the mechanisms that hamper productive forces' development and establish a new socialist system that is full of vitality. A pressing matter of the moment is to urge all trades and professions to do away with the iron rice bowl, iron wages, and iron positions.

Deputies (Shen Shudong) and (Jiang Jieping) of Suzhou said: In his report the governor did not dwell adequately on how to solve the profound problems existing in enterprises at present. It is necessary for the provincial government to define specific measures to be taken. Deputy (Miao Tiekui) believed enterprises shoulder too heavy a burden now. He said the fact that our policies do not support the current drive to do away with the iron rice bowl, iron wages, and iron positions makes it more difficult for us to carry out enterprise reform.

Delegation deputies from Yancheng and Xuzhou made pertinent remarks and suggestions on the issue of accelerating the development of the northern part of Jiangsu Province. Deputy (Sha Jimao) of Yancheng said: Although this slogan has been shouted every year, not many specific measures have been adopted so far. We have seen many work teams sent to help impoverished areas; however, what the northern part of Jiangsu Province needs most is a good policy. Deputy (Jing Zigang) of Xuzhou required the provincial government to discuss the issue of accelerating development of the northern part of Jiangsu Province as a special item on its agenda and draw up plans for solving problems and supervising efforts in this endeavor accordingly.

Jiangxi Promotes More Non-Communist Officials

OW0703102492 Beijing XINHUA in English 0921 GMT 7 Mar 92

[Text] Nanchang, March 7 (XINHUA)—East China's Jiangxi Province plans to select more non-Communist Party people for leading positions in a bid to motivate people of all circles to participate in economic construction.

To date, there are altogether 503 officials who are not Communist Party members at leading posts in the province at and above the county level, including nine in provincial level departments and 33 in prefectural level departments.

Most of these officials are experts in certain fields and are experienced and capable at their posts.

According to Ye Xuelin, director of the provincial united front work department and vice chairman of the provincial committee of the Chinese People's Political Consultative Conference, the province has already set up a

troop of some 1,000 non-Communist people to be candidates for future leading positions.

Wu Bangguo Meets Governors of Anhui, Jiangxi

OW0903015092 Shanghai People's Radio Network in Mandarin 2300 GMT 7 Mar 92

[From the "Morning News" program]

[Text] Yesterday, Shanghai Municipal CPC Committee Secretary Wu Bangguo cordially met with Anhui Governor Fu Xishou and Jiangxi Governor Wu Guanzheng, who had arrived in Shanghai to visit the East China Export Commodities Trade Fair. The party and government leaders from Shanghai Municipality and Anhui and Jiangxi Provinces expressed a common desire to take advantage of the favorable opportunity offered by development of the New Pudong Area to promote economic development in the middle and lower reaches of the Changjiang, as well as economic and technical cooperation between Shanghai, Anhui, and Jiangxi, to a new level. Vice Mayor Gu Chuanxun was asked by Mayor Huang Ju to participate in the meeting on his behalf.

During the meeting, Wu Bangguo first expressed a warm welcome to the leaders of Anhui and Jiangxi Provinces on behalf of the Shanghai Municipal Party Committee and the Shanghai Municipal Government. He sincerely thanked them for the support rendered by the two provinces to Shanghai over the years. Wu Bangguo briefed the guests in detail on how the project to promote development of the New Pudong Area got under way, prospects for the project, and the policy of offering preferential treatment implemented so far thanks to the concern of the leading comrades of the party Central Committee and the State Council, and by proletarian revolutionaries of the older generation. Wu Bangguo stressed: Efforts to promote Shanghai's development and open its doors to the outside world in the 1990's must be made under the banner of China. Development of Pudong must be based on the entire Changjiang delta and every coastal province in East China. Shanghai warmly welcomes Anhui Province, Jiangxi Province, every other region across the country, and all enterprises and institutions to set up stores, factories, and enterprises in the New Pudong Area.

Fu Xishou and Wu Guanzheng said: The decision to promote the development of the New Pudong Area was a wise policy move adopted by the party Central Committee and the State Council. Anhui and Jiangxi Provinces are prepared to take advantage of the preferential treatment under the policy adopted to promote development of Pudong to mobilize and organize the enterprises and institutions in the two provinces to participate in construction in Pudong.

Yesterday morning, municipal party and government leaders Wu Bangguo, Gu Chuanxun, and Zhao Qizheng accompanied Fu Xishou, Wu Guanzheng, and their party in their tour of the Shanghai Stock Exchange, the Nanpu Bridge, the Pudong Yian Building, the Yingqiao

Export Processing Zone, the Waigaoqiao Area of Bonded Warehouses, electric power plants, wharves, job sites, the Yangpu Bridge, and the job site of a television tower.

Zhejiang CPPCC Discuss Government Work Report

OW0603130892 Hangzhou Zhejiang People's Radio Network in Mandarin 1000 GMT 6 Mar 92

[From the "Provincial News Hookup" program]

[Text] The Fifth Session of the Sixth Zhejiang Provincial Chinese People's Political Consultative Conference [CPPCC] Committee held group discussions today. Members from various circles actively expressed their opinions on the government work report delivered by Governor Ge Hongsheng at the Fifth Session of the Seventh Zhejiang Provincial People's Congress.

They said: The report evaluated last year's work in Zhejiang on the basis of facts and identified targets for this year. All we have to do presently is to conscientiously implement the work and seek practical results. This requires a down-to-earth work style.

The members said: This year is one for deepening reform. We should exercise greater efforts in carrying out reform. First, we should enhance our awareness of reform and must understand and implement the party's basic line comprehensively, completely, and precisely.

The members put forward many constructive suggestions on strengthening agricultural and rural work; revitalizing large- and medium-size enterprises; improving the environment to attract foreign funds; developing scientific, technological, and educational undertakings; and promoting the construction of a clean government and the building of socialist spiritual civilization. Some members gave practical proposals on developing Ningpo, Zhoushan, and other localities.

During the discussion, some members noted: The ideological and political work of staff members and workers should never be ignored in our efforts to revitalize large- and medium-size enterprises. The members also discussed the work report of the Sixth Zhejiang Provincial CPPCC Committee, delivered by Vice Chairman Tang Yuanbing, and expressed their own views on how the committee can do its duty and participate in the administration of state affairs more effectively.

The Fifth Session of the Sixth Zhejiang Provincial CPPCC Committee will continue the group discussion tomorrow.

Li Zemin Attends Zhejiang Agricultural Forum

OW0903075292 Hangzhou Zhejiang People's Radio Network in Mandarin 1000 GMT 8 Mar 92

[From the "Provincial News Hookup" program]

[Excerpts] The fifth session of the seventh provincial people's congress held a forum on agricultural problems

this morning that was attended by 32 deputies from the province's agricultural front. Some members of the Chinese People's Political Consultative Conference attended it on invitation.

Li Zemin, Ge Hongsheng, and officials in charge of the relevant departments and bureaus attended the meeting to hear the deputies' views.

Wang Yumin, permanent chairman of the session, presided over the meeting. [passage omitted]

Governor Ge Hongsheng thanked the deputies for their valuable input on the government work report, saying: Generally, the situation in the countryside is good. However, many problems remain in agriculture and rural work; for example, there are the problems of producing grain and providing the basic food and clothing needs in some old revolutionary base areas and other poverty-stricken areas. These problems should be solved primarily by comprehensively publicizing and implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee and the enlarged plenary session of the provincial party committee. We must continue to devote major efforts on and increase input in agriculture. All sectors must support agriculture; scientific and technological departments, in particular, should implement effective measures to help speed up agricultural development. Governments at all levels must have a sober understanding of grain production and by no means should they allow it to decrease, because a slump in grain production will have an adverse impact on the economy as a whole.

Speaking of integration of agriculture, science, and education, Ge Hongsheng said that it is the only way to develop agriculture. We must intensify reform. Scientific and technological departments must change their operation mechanism and develop themselves through popularizing scientific and technological results.

Secretary Li Zemin of the provincial party committee emphasized in his speech: Party committees and governments at all levels must give top priority to publicizing and implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee. Before the spring farming season arrives, they should send cadres to publicize at the grass-roots level the guidelines of the eighth plenary session and the idea of collectivism in order to persuade the peasants to subordinate their personal interests to state plans by fulfilling their grain-growing quotas. At the same time, we must strengthen grass-roots party organizations with party branches as their core.

Central-South Region

Xie Fei Urges 'Bold' Reform Implementation

HK0903054792 Hong Kong TA KUNG PAO in Chinese
7 Mar 92 p 2

[By staff reporter Ho Sui-yi (0149 4482 1837): "Xie Fei Urges People To Unfetter Their Hands and Feet To Carry Out Reform"]

[Text] A three-day meeting on reform of Guangdong's economic structure concluded today. With the remarks "do when the time comes, try when the time has not come," provincial CPC committee Secretary Xie Fei summarized Guangdong's attitude toward unfettering the hands and feet to carry out reform at the next step.

When Xie Fei and some representatives attending the meeting held a forum this afternoon, he expounded once again the gist of the instruction "be bold in reform" of a high-ranking cadre of the central authorities who had come southwards at the beginning of the New Year of lunar calendar, to encourage all people throughout the province. In passing on the relevant speech, Xie Fei declared: To carry out revolution in the past, it was emancipating the productive forces; to carry out reform now, it is also emancipating the productive forces. From the changes in Eastern Europe and the Soviet Union, we must allow the people to understand clearly that if China does not pursue socialism, carry out reform, and improve the people's livelihood, all other things are a road to ruin. Moreover, in reform, we must be bold in making a breakthrough and must practice. We had no experience in setting up a special economic zone but we made a breakthrough. It is the same with reform. How do we know it is wrong if we do not do?

On the basis of the spirit of the central authorities and in light of Guangdong's 12-year experiences that have been summed up, Xie Fei stressed the outline of Guangdong's reform at the next step, which is that when the time comes, we must do and do extensively, and when the time has not come, we must carry out experiment and exploration on a small scope. Xie Fei said: Don't ask for policies and preferential treatment once reform is carried out. In all reforms in the future, we must proceed from the angle of what is beneficial to the development of productive forces and formulate a foreseeable plan and measures for reform.

In conclusion, Xie Fei stated: The macroclimate is now very good. As the state, society, and all people inside and outside the party are very energetic in carrying out reform, Guangdong, therefore, need not worry too much and can unfetter its hands and feet to carry out economic reform.

Zhu Senlin Urges Expediting Reform, Opening Up

HK0803060792 Guangzhou Guangdong People's Radio
Network in Mandarin 1000 GMT 4 Mar 92

[Text] The provincial conference on restructuring, which centers on expediting the province's reform and opening to the outside world, opened in Guangzhou today.

Governor Zhu Senlin gave a report entitled: "Get Clear Understanding of Situation and Free Ourselves From Old Ideas To Take Faster Steps in Guangdong's Reform and Opening."

In his report, Governor Zhu Senlin elaborated on the need to place an effective grip on key tasks for reform and opening and to resolve profound problems.

He emphasized: In this year's restructuring campaign, we must transform the operational mechanism of state-owned enterprises and quicken financial structural reform. To transform the operational mechanism of state-owned enterprises, we must follow the CPC Central decision on economic restructuring and the enterprise law, vigorously enforce the enterprise law, and make sure the enterprises operate on their own. We must change the way the government administers enterprises and encourage enterprises to gear their production plans to market needs.

For financial restructuring, Zhu Senlin continued, we must focus this year on opening up the market for funds, expanding [words indistinct] and funding channels, developing the market for bonds, and energetically and reliably introducing the shareholding system in urban and rural areas.

Inspects Shanwei City

HK0903054692 *Guangzhou Guangdong People's Radio Network in Mandarin 0400 GMT 4 Mar 92*

[Text] No sooner had a provincial work meeting concluded than provincial Governor Zhu Senlin arrived at Shanwei City to carry out investigations and study.

Zhu Senlin pointed out: Over the past four years, Shanwei City has witnessed rapid development, drastic changes, and a marked improvement of infrastructure, and working and living environment. It is imaginable that Shanwei City has come across enormous difficulties in carrying out development on a poor basis. Therefore, it is necessary for provincial authorities to give a little more assistance to this remote and poor old liberated area.

While holding talks with local cadres, Zhu Senlin emphatically stated: The leading bodies at all levels of Shanwei City must conscientiously implement the spirit of the provincial work meeting, further emancipate minds, proceed from local conditions, ensure a steady development pace, focus on key construction projects, make overall arrangements, and carry out construction on every piece of newly developed land.

Zhu Senlin pointed out: It is quite right that cadres at all levels in Shanwei City have concentrated their efforts on economic work. Only by making earnest efforts to maintain stability, conduct pioneering work, increase efficiency, and speed up the work pace will cadres at all levels be able to push further ahead with economic work development.

Cheng Kejie Sets 1992 Development Targets

HK0803060892 *Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 4 Mar 92*

[Excerpts] The fifth session, which is a grand one, of the seventh regional people's congress opened in the Nanning Theater this morning. [passage omitted] Gan Ku, presiding chairman and executive chairman of the presidium [as heard], presided. [passage omitted]

Seated on the rostrum were Zhao Fulin [regional party committee secretary], Cheng Kejie, Liu Mingzu, Ding Tingmo, Lin Chaoqun, Peng Guikang, Wen Guoqing, and Li Enchao, members of the regional party committee; (Wang Zhuguang) and (Suan Yuanzong), members of the regional advisory committee; Wang Rongzhen, Chen Ren, Long Chuan, and other regional people's government officials; Chen Huiguang, Ou Jiwen, and other members from the regional Chinese People's Political Consultative Conference; and others.

On behalf of the regional people's government, Cheng Kejie, chairman of the regional people's government, gave a government work report which he submitted to the session for examination and approval.

Cheng Kejie said: In 1991, under the leadership of the regional party committee and under the supervision of and with the support from the regional people's congress standing committee, we conscientiously carried out the spirit of the Seventh and Eighth Plenary Sessions of the 13th CPC Central Committee, the principles and policies laid down by the State Council, and the instructions given by Comrade Jiang Zemin during his inspection of Guangxi, focusing on economic construction, adhering to the four cardinal principles, persisting in reform and opening up, bringing every positive factor into play, and concentrating energy on economic development. Thanks to the common efforts by the people of all nationalities across the region, we succeeded in fulfilling the main targets set in the 1991 plan for economic development and social progress approved by the fourth session of the seventh regional people's congress. This region saw political and social stability, unity of all nationalities, and sustained economic development last year.

When talking about the tasks for 1992, Cheng Kejie said: The guiding principles for 1992 of the regional people's government are: consistently and comprehensively carry out the party's basic line, further free ourselves from old ideas, act bolder, make a bigger stride forward in the course of reform and opening up to the outside world, promote technological progress, expedite economic development and undertakings in other fields, and consolidate and develop the political situation of stability and unity. Based on these guiding principles, the tentative major targets for this region's economic development and social progress in 1992 are: The GNP will increase 6 percent over 1991, industrial output value 8 percent, agricultural output value 4.2 percent, national income 6.1 percent, local revenue 6.3 percent, and total retail sales volume 12 percent. The retail prices growth

rate will be kept at 5.5 percent at most. The total volume of foreign trade will come to \$1 billion. The natural population growth rate will be kept at 1.324 percent or below.

Cheng Kejie continued: We should work hard to overfulfill the above targets in practical work. We should seize the present favorable opportunity to step up economic development. For Guangxi, low speed amounts to standing still or even falling back. If we fail to advance at a greater pace, the gap between Guangxi and other parts of the country will become bigger and we will not be able to attain the goal of quadrupling the 1980 GNP by the end of this century.

Chairman Cheng Kejie concluded: The development in the situation, the people's aspirations, and the central authorities' demands all have made the burden on our shoulders heavier. So we must further free ourselves from old ideas and take faster steps in the course of reform and opening up to the outside world. We should be bold in exploring, pioneering, and creating new things to develop the productive forces of our socialist society; to increase our overall national power; and to improve the people's livelihood. Since the present situation at home and abroad is favorable to us, we must closely rally around the CPC Central Committee with Comrade Jiang Zemin at the core, unremittably implement the party's basic line, and work hard as one to effect an upswing in economic construction at an early date and to achieve greater success in all areas of endeavor in Guangxi, greeting the 14th CPC National Congress with outstanding achievements. [passage omitted]

Deng Hongxun Discusses Land Reclamation at Forum

HK0903094792 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 4 Mar 92

[Excerpt] The provincial conference on land reclamation concluded in Haikou this afternoon.

Deng Hongxun, provincial party committee secretary; Wei Zefang, member of the provincial party committee standing committee; Chen Suhou, vice governor; and [words indistinct], director of the Agriculture Ministry States Farms and Land Reclamation Department, attended the four-day meeting and gave speeches.

In his speech, Deng Hongxun said: Land reclamation is of great importance for Hainan in every sense. Failure to make achievements in land reclamation will directly bear on our economic development, reform, opening up, and [words indistinct]. Comrades responsible for land reclamation should develop a sense of urgency and responsibility. [passage indistinct]

Deng Hongxun made a profound exposition of [words indistinct], changing the mechanism, readjusting the organizational structure, developing the economy, and raising efficiency, of which the main contents are as follows:

1. Update our ideas and concepts to open up [words indistinct].
2. Change the principle for operation, giving top priority to efficiency.
3. Expedite reform and change the operational mechanism.
4. Open wider to the outside world and do a good job in introducing investment from abroad and establishing lateral ties at home.
5. Be good at blazing new trails [words indistinct].
6. Pay equal attention to material civilization and to culture and ethics to strive for brilliant achievements in both fields. [passage omitted]

Hou Zongbin at Henan People's Congress Session

HK0803060592 Zhengzhou Henan People's Radio
Network in Mandarin 2300 GMT 4 Mar 92

[Excerpts] The 10-day fifth session of the seventh provincial people's congress, after going through all procedures, came to a successful conclusion at the provincial people's assembly hall yesterday morning. [passage omitted]

Executive chairmen of the plenary session and presidium seated in the front row on the rostrum were Yang Xizong, Wu Jichuan, Lin Xiao, Ji Hanxing, Wu Shaokui, Guo Peijun, Fan Lian, Hu Tingji, Zhao Wenlong, Hou Zhiying, and Zhang Zhigang.

Also seated on the rostrum were provincial party, government, and military leaders Hou Zongbin, Lin Changchun, Song Zhaosu, Liu Guangxiang, Wu Guangxian, Yu Youxian, et al. [passage omitted]

The meeting maintained that the period to come will be one in which China will step up reform and opening and boost the socialist planned commodity economy. For Henan, opportunities and challenges stand side by side and hopes and difficulties coexist. The tasks before us are still very tough. Governments at all levels across the province must, bearing in mind the requirements for forging ahead to rejuvenate Henan as well as our strategic goal of making our economic growth rate slightly higher than the national average and our population growth rate slightly lower, unremittably carry out the party's basic line, enhance their sense of urgency and danger, seize the opportunity, increase the momentum of reform, open wider to the outside world, take faster steps in the course of revitalizing Henan and making the people prosper, and promote sustained, steady, and coordinated development of the economy.

The meeting called on the people of the whole province to further rally around the CPC Central Committee with Comrade Jiang Zemin at the core, brace their spirits, pool the wisdom and efforts of everyone, constantly strive to become stronger, and make earnest efforts to greet the 14th CPC National Congress with outstanding achievements. [passage omitted]

Attends CPPCC Session

HK0603153392 Zhengzhou Henan People's Radio
Network in Mandarin 2300 GMT 3 Mar 92

[Excerpts] The 10-day Fifth Session of the Sixth Henan Provincial Chinese People's Political Consultative Conference [CPPCC] Committee fulfilled its agenda and was successfully concluded in the Provincial People's Auditorium yesterday morning.

Provincial CPPCC Committee Chairman Yan Jimin and Vice Chairmen Zhao Zhengfu, Wei Qingong, Dong Minsheng, Zuo Mingsheng, Ren Fangqiu, Duan Zongsan, Ding Zhenyu, Tu Jiaji, Li Runtian, Liu Yujie and Wu Shouquan, as well as Zhao Zhengyu, provincial CPPCC committee secretary general, were seated on the front row of the rostrum.

Provincial party, government, and military leaders, including Hou Zongbin, Li Changchun, Wu Jichuan, Yang Xizong, Song Zhaosu, Liu Guangxiang, Wu Guangqian, Yu Youxian, Zheng Zengmao, Song Guocheng, Hu Tiyun, Lin Xiao, Ji Hanxing, Wu Shaokui, Guo Peijun, Fan Lian, Hu Tingji, Zhao Wenlong, Hou Zhiying, and Liu Yuan, as well as Song Yuqi, former provincial CPPCC committee chairman, and Zhang Xiong, provincial people's procuratorate deputy chief procurator, were also seated on the rostrum.

The Sixth Henan Provincial CPPCC Committee boasts a total membership of 766, of whom 516 attended the closing ceremony, thus constituting a quorum.

The fifth session adopted:

1. The Political Resolution by the Fifth Session of the Sixth Henan Provincial CPPCC Committee.
2. The Resolution by the Fifth Session of the Sixth Henan Provincial CPPCC Committee on the Sixth Henan Provincial CPPCC Committee Standing Committee Work Report.
3. The Report of the Fifth Session of the Sixth Henan Provincial CPPCC Committee on Motions Examination Work.

Provincial CPPCC Committee Chairman Yan Jimin delivered a speech in which he said that this year, we must devote most of our energies to the following two aspects:

1. To emancipate minds and enhance morale. To this end, the CPPCC must closely center on economic construction, deepen reform and opening up, actively put forward proposals and make efforts, work in a creative manner, enhance morale, do more realistic things, promote reform and opening up, and make greater contributions to Henan's economic development.
2. Focus on developing local superiorities and doing more realistic things. To this end, we must step up studies and propaganda, enhance morale, develop democracy, strengthen solidarity, promote stability, conduct consultation and supervision, put forward views

and proposals, provide consultative services, set up consultative entities, overcome weaknesses, and keep a firm grip on key issues. [passage omitted]

Yan Jimin concluded: Let us closely rally round the CPC Central Committee, with Comrade Jiang Zemin as the core, and hold aloft the banners of patriotism and socialism under the leadership of the Henan Provincial CPC Committee to: Unite together; forge ahead; promote Henan's development; strive to realize the 1992 provincial national economic and social development plan; put forward proposals; make efforts to attain the strategic goal of making the provincial GNP higher than the national average and the provincial population growth rate lower than the nation's average; and to strive to greet the convocation of the 14th National CPC Congress with more outstanding achievements.

Henan Calls for Further Reform, Opening Up

HK0603114392 Zhengzhou Henan People's Radio
Network in Mandarin 2300 GMT 2 Mar 92

[Excerpts] The following is our station's news center commentary entitled: "Emancipate Minds, Grasp Opportunities, Boldly Further Reform and Opening Up":

At a time when improvement and rectification have been basically completed and a big tide of reform and opening up is once again embracing China, the Henan Provincial CPC Committee has put forth in a timely manner the following general guiding ideology for this year's reform and opening up: To further emancipate minds and become bolder, faster, and more efficient in reform and opening up. We must broaden our vision, transform our concepts, become bolder, and free ourselves from various old ideological shackles. [passage omitted]

Reform and opening up are a general policy for increasing national strength and bringing prosperity to the people. Since we will continue to stress the party's basic line for one hundred years to come, we will doubtlessly follow the general policy of reform and opening up for a long time to come. What are we afraid of?! Reform is a revolution that will benefit the broad masses of the people while at the same time inevitably offending a small number of people. In order to discard old practices and practise new ones, we must not be afraid of offending such a small number of people. [passage omitted]

So long as we continue to seek truth from facts, obey objective laws, and carry out experiments before doing things on a large scale, we will certainly be able to avoid and reduce mistakes. Even if mistakes occur in the course of reform and opening up, we must not be afraid of them and must not become depressed. Rather, we should sum up experiences and lessons and correct mistakes in a timely manner. We should allow people to make and correct mistakes. Some comrades are afraid of being accused of bourgeois liberalization. Bourgeois liberalization has its unique connotation, the essence of

which rests with opposition to the party leadership and the socialist system. The measures we have taken in our economic reform, such as contracting, leasing, public bidding, amalgamating, and share issuing systems, are common measures used to develop a commodity economy. Such measures can be employed by both capitalist and socialist countries. The appropriate development of an individual economy, a private economy, and enterprises run with three types of capital [foreign capital, overseas Chinese capital, and both Chinese and foreign capital] constitutes a beneficial supplement to the socialist economy. This is what the state policy allows. [passage omitted]

Reform and opening up are not only a theory but also a policy as well as a great practice. The 10-year reform and opening up have brought about fundamental changes in our province with the result that we have basically solved the problem of feeding and clothing the people. The three-year improvement and rectification have created a harmonious environment for reform and opening up. We must develop a sense of crisis and a sense of urgency, make bigger strides forward, and strive to catch up with others in all fields. [passage omitted]

Li Changchun Urges Solving Drinking Water Problem

HK0903064092 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 4 Mar 92

[Excerpts] On the evening of 3 March, the provincial government called a special meeting to solve the problem concerning drinking water for both people and livestock.

Governor Li Changchun chaired the meeting and gave a speech. Vice Governor Song Zhaosu made specific arrangements. [passage omitted]

Those at the meeting heard the report by (Ma Dequan), director of the department of water resources, on Henan's current difficulties in providing enough drinking water for both people and livestock.

In his speech, Li Changchun said: It is necessary to get a full understanding of the importance of providing enough drinking water for the people and livestock in the mountain areas in western Henan. Governments at all levels must place this problem high on their agenda and regard it as a specific step taken by the party and government to serve the people heart and soul. They should solve the difficulties in providing enough drinking water at an early date out of their sense of responsibility to the people in disaster areas. [passage omitted]

Southwest Region

Guizhou Leadership Attends Family Planning Forum

HK0703031792 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 27 Feb 92

[Excerpts] While the People's Congress is in session, the provincial party committee and government yesterday

morning called a People's Congress deputies' forum on family planning work, which was attended by commissioners and chiefs of various prefectures, autonomous prefectures, and cities.

Liu Zhengwei, provincial party secretary; Wang Chaowen, governor; Miao Chunting, Chinese People's Political Consultative Conference Provincial Committee chairman; Li Jifeng, provincial People's Congress vice chairman; Zhang Yuqin, vice governor; and members of the provincial leading group for family planning attended the forum. [passage omitted]

While holding discussions with the deputies, both Comrades Liu Zhengwei and Wang Chaowen stressed: Family planning concerns the Chinese nation's prosperity and determines whether we can finally get rid of poverty and become rich and thus benefit our descendants. Party committees and governments at all levels must continue to treat family planning as important a task as economic construction, which should be personally handled by the chief persons-in-charge of party and government organs, who will assume full responsibility and grasp well and firmly the job in a down-to-earth manner.

Comrade Liu Zhengwei particularly pointed out: Areas which have extra births in defiance of the policies and have high birthrates must conscientiously investigate and look for the causes and adopt measures as soon as possible to reverse the passive situation. Various localities must make leading cadres' performance in family planning a criterion in examining their work performance, and an important requirement in selecting, promoting, and appointing cadres. Without exception, areas, departments, units, and principal party and government leaders and their deputies in charge of family work who fail to fulfill the population control plan will not be cited as advanced elements and principal party and government cadres will not be promoted. Investigation must be strictly done to ascertain the responsibility of principal and deputy party and government leaders and concerned persons-in-charge of areas where populations have run out of control. Staff who abuse powers for personal gains, practise fraud, and break the law and discipline in family planning jobs must be dealt with strictly. We must grasp tightly the overall strategy of a comprehensive plan; integrate management and coordinate development of the population, grain, and ecology; strengthen the building of family planning contingents and propaganda work; increase funding and inputs; resolutely implement and manage family planning according to law; effectively put family planning on the track of legal management; and ensure that our province's natural population growth rate is controlled within the scope of 14 per 1,000.

Wang Chaowen on Government Organ Party Building

HK0703024192 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 27 Feb 92

[Text] At a recently convened conference on working committees under the provincial government, Governor

Wang Chaowen proposed that party organizations in government organs at all levels and party-member cadres must, in light of the changes in the current international situation, fully understand the importance and urgency of strengthening party building; and earnestly do a good job in the building of party organizations at government organs.

In his address, Wang Chaowen fully affirmed the notable achievements scored since the beginning of this year by party organizations in organs at all levels directly under provincial governments. He demanded that party organizations in government organs build and perfect rules and regulations; strictly conduct party organization activities; do a good job in party members' education; strive to turn organs directly under the provincial government into united, realistic, discipline-abiding, incorrupt, highly effective, and service-oriented organs; and play their exemplary role as leading organs.

Wang Chaowen called on the party organizations in various departments directly under the provincial government to put party work in organs high on their agendas. Each year they must at least study the issue twice to properly solve the problem of funding for activities of the organs' party organizations.

Wang Chaowen stressed: Party-member leading cadres are leaders as well as ordinary party members, and should take the lead in participating in activities of the organs' party organizations, self-consciously accept the supervision of party organizations and the mass of party members, and play an exemplary role in the building of party style and clean administration.

100,000 Chongqing Workers To Join Contract System

OW0703143892 Beijing XINHUA in English
1419 GMT 7 Mar 92

[Text] Chongqing, March 7 (XINHUA)—Some 100,000 workers in Chongqing city of southwestern China's Sichuan Province will soon lose their "iron rice bowls"—a term for life employment—as the city government decided to try the all-member employment contract system in 30 of its state-owned large and medium-size enterprises.

According to informed sources here, the move is aimed at further improving the present management mechanism in those major state firms, including the first-grade state enterprises, the Chongqing Machine Tool Factory, the Chongqing Silian Instrument and Meter Group, the largest of its kind in China, and the Chongqing Department Store, one of the country's top 10 shops.

Those enterprises are the major contributors of the city's revenue, the sources said.

All staff members including administrative personnel and production workers in those firms will sign with their employers the employment contracts on the base of

self-willingness and agreements, so that the duties, rights and interests of both sides will be guaranteed by law.

The present total payroll quota set by the state for each firm will remain, but each firm will have the right to decide by itself the wage standard for different staff, and their bonus and subsidies, which are not included in the payroll quota, according to the work intensity and duties of various posts, the economic efficiency of the enterprise, as well as each worker's personal performance.

The practice has already been carried out in some collective and small state firms. The Chongqing Nanping Department Store was one of the pioneers of the city in the employment system reform. The store used to have 336 employees, half of them held the iron rice bowl.

Now all the store's employees, from the manager to each sales staff, have become contract workers. They started to experience the intense competition, and the risk of being fired if not doing well, which they never thought of in the past.

According to the sources, as many as 800 commercial enterprises in Chongqing city had adopted the employment contract system by the end of last year.

As the result, more than 80 employees were dismissed by their former work units, and 152 unqualified staff had to leave their posts, given a period of time for improvement and live on only part of their former wage. The number was not big, but all the staff in the enterprises were becoming alert, the sources said.

Gyaincain Norbu Interviewed on Current Issues

OW0703104192 Beijing BEIJING REVIEW in English
No 9, 2-8 Mar 92 pp14-17

[Excerpt of an interview with Gyaincain Norbu, chairman of the Tibet Autonomous Region, conducted by unattributed RENMIN RIBAO reporters; place and date not given; "Tibet Has a Bright Future"—BEIJING REVIEW headline]

[Text] Question: Are you satisfied with the economic development of the autonomous region in 1991? With what are you satisfied? With what are you not?

Answer: Basically I am happy with Tibet's economic development. In 1991 Tibet saw its fourth consecutive year of bumper agricultural harvests. The grain output reached 580,000 tons, an increase of 4.5 percent over that of the previous year. Overcoming the difficulties caused by the 1990 snow disaster, animal husbandry also took a turn for the better. Some 5 million baby livestock were born and had a survival rate of 80.5 percent. Calculated in terms of 1990 constant price, the total agricultural output value was estimated to be a 4.3 percent increase. More than 20 projects included in a comprehensive development programme of the Eighth Five-Year Plan were completed in 1991. We plan to build them into bases for marketable grains, non-staple

foods, light and textile processing industries and models for scientific and technological popularization. The No. 3357 Project to develop the Lhasa River is proceeding smoothly and the expansion of runways at Gongga Airport has been completed. A section of the Sino-Nepalese Highway is still under construction in Tibet and part of the Yamzho Yumco Electric Power Station construction has been completed ahead of schedule. Key state-run enterprises including the Yangbajain Geothermal Power Plant, Norbusa Chromite Mine and Lhasa Cement Factory overfulfilled their production plans. Tibet also fared well in export, earning a considerable sum of foreign currency, and the tourist industry saw a recovery with 16,000 Chinese and foreign visitors.

With the development of the economy, people's living conditions have also gradually improved. In 1991, the average per-capita income of the region reached 455 yuan, 25 yuan more than in 1990.

Therefore, I think the economic situation in Tibet is doing well. Of course, there is room for improvement. The market needs to be further expanded and it's clear that Tibet's development is still restricted by various factors. The shortage of energy, for example, is especially restrictive to industrial and agricultural development. Lacking a solid foundation, however, it is difficult to expect Tibet to have remarkable improvement in a short period of time. Economic development, stimulation of the market and improvement of economic returns will be important tasks of the government in 1992.

Q: What economic construction projects will the regional government undertake in 1992? What benefits are they expected to generate for local people?

A: In 1992, a total of 1.1 billion yuan will be invested in fixed assets according to initial estimates. The regional government will allocate 150 million yuan; municipal and prefectural governments will allot 80 million yuan; 10 million yuan will be in the form of bank loans; and 90 million yuan will be generated by collective and individual investors. Among the 45 projects which have been submitted for approval to the central government, agriculture, animal husbandry, energy, communication and industry make up the greatest proportion.

To improve Tibet's communication, the state will invest 1 billion yuan in a gradual renovation of Sichuan-Tibet Highway and another 300 million yuan will be used to deal with the frozen tundra of Qinghai-Tibet Highway. The first-phase construction of Bangda Airport is still under way and the construction of runways is to start soon. It is a significant project. Medog is the only remaining county in China which lacks highway. On the brink of the Euroasian Plate, it has a complicated geological composition with a thin soil layer and a tendency to undergo earthquakes and mud-rock flows. In 1990, 108 km of highway were in place; this was reduced to 80 km in 1991 due to mud-rock flows. The highway effort directly affects the vital interests of the Menba and

Luoba ethnic group in Medog County. We will try to complete the construction as soon as possible.

We will continue to pay attention to energy development and overcome the electricity shortage. Our principle is to focus on the construction of water-generated electricity while developing geothermal, optical and wind electricity. Only when our energy supply is greatly developed can the region's economic development demands, especially for industry, agriculture and animal husbandry as well as of people's daily life, be met. We will speed up the construction of Yamzho Yumco Power Plant and other electric power sources and actively develop thermal resources under the ground at Yangbajain. Of the 19 counties without electricity in Tibet, some have water resources, some do not. We will gradually resolve the problem. The first-phase construction of the Nagguchaglung Electric Power Station has begun, which will play a significant role in helping northern Tibetan people overcome a shortage of electricity.

Tibet is rich in mineral resources and has a unique handicraft industry. We will take full use of these advantages and exploit our chromite, borai and boric magnetite resources.

We will also pay due attention to the development of the three river area and invest 100 million yuan there. After their successful development, they will play a significant role in the economic and social development of Tibet.

Q: What are the key problems to be tackled for Tibet's success?

A: The level of science and technology and education are the most important. Social stability also ranks among our first concern. More than 2,300 scientific and technical personnel have been dispatched to help farmers engage in scientific farming. Doilungdeqen, for example, is a model county of scientific and technological application.

Tibet's development, however, relies not only on science and technology but also on education. Now Tibet has public and private primary schools, middle schools, secondary technical schools and universities; special classes are also conducted in 22 provinces and cities and had a total of 8,800 students by the end of 1990. Both efforts were begun in recent years. Now we are taking stock of our educated population and will undertake a concerted educational plan. At present there are about 200,000 registered students in Tibet, a considerable number which we hope to make into a professional contingent. I believe Tibet such step-by-step efforts will be able to resolve its talent shortage.

There are still a variety of educational problems in Tibet. First, we are short of educational funds. Although educational expenditure amounts to 15 percent of all regional spending, it is barely able to meet the demands of educational development. Second, we lack qualified teaching staff. A bilingual teaching system is being implemented in Tibet and there is no problem using the

Tibetan language in primary schools. But it is difficult to teach mathematics, physics and chemistry in the Tibetan language in middle schools. The primary concern lies in recruiting qualified teaching staff. Measures are being taken, however, to solve the problem.

Finally, economic construction requires a stable social environment. Maintaining a stable situation and developing the economy will be important tasks for quite a long time to come.

Q: To our knowledge, part of Tibet still lags behind other areas in economic development. What measures will the government of the autonomous region take to change this situation?

A: A fundamental change has taken place in the lives of Tibetans over the 40 years after Tibet was peacefully liberated, and especially in the dozen years after China began to carry out the reform and open policy. As you have seen, prosperous and well-to-do villages and towns have emerged in the Lhasa River valley. But the poor and backward situation will be hard to eliminate in a short period of time. Although people in some areas are still suffering from poverty, we have a poverty-aid programme and some 300,000 people have been lifted out of poverty. Currently, 15 percent of the households still live in poverty, roughly 200,000 to 300,000 people. Others are moving up from a life of sufficiency to one of comfort. Many farmer and herdsman families have built new houses, with their granaries full of grains, and purchased vehicles and tractors for transportation and farming as well as advanced household appliances.

But the economic development has been offset by an increase in the population. Nagqu had an average amount of 30 livestock per capita. Now the number is the same.

We are making every effort possible to help people break out of poverty. Each poor household is required to do the most for themselves even as the state provides financial, material, intellectual and other support. Collective efforts are encouraged to explore new avenues of production. This includes, for example, collecting pharmaceutical materials and developing native and special products. Generally speaking, Tibet hopes to be well off by the year 2000 even though the level of particular townships might be lower.

Q: What achievements have been made by the regional government in implementing the religious policy since China began its reform and open policy? Are there any plans to renovate temples and monasteries, resume traditional religious festivals and guarantee normal religious life?

A: Since the reform and open policy was carried out, we have actively implemented the religious policy. Tibet now has 1,425 temples, monasteries and other places of religious activities and 34,000 Buddhist monks and nuns. A variety of normal religious activities and important festivals of different religious sects have resumed.

The government has also made arrangements for prominent religious personages. According to rough statistics, about 200 million yuan has been spent for the renovation of temples and monasteries. Now temples, enshrined halls and other places of religious activities basically meet the public's demands. Some temples and monasteries on the borders still need renovation. We are taking a balanced attitude in implementing the religious policy. While freedom of religious beliefs and freedom to choose different religious groups are being fully protected, those who do not have any religious preference should also be protected. Religion can by no means intervene in educational, judiciary, administrative and marital affairs. These affairs should be conducted in line with state laws. Control of religious activities in various temples and monasteries should be in accord with relevant regulations even as temples and monasteries are allowed to conduct business, raise animals and engage in farming thus enabling them to provide for themselves. Religious personages should be given fun play to engage in the administration of religious institutions. First of all, a democratic administrative committee should be organized in temples and monasteries for kampus, masters of classics and old lamas. Under the precondition of protecting the unity of the motherland and strengthening the national union, all kinds of religious activities are allowed for religious followers. However, we will not take a blind eye toward illegal religious activities. As Bainqen Erdeni said, a temple should be a temple and a lama a lama; you can recite your classics, release your souls from purgatory and disseminate religious knowledge but you cannot engage in separatist activities nor create social disorder!

Q: A lot of overseas Tibetan compatriots have returned to visit their relatives and friends in Tibet and see the changes which have taken place here. What arrangements will the regional government make for the visitors in the new year?

A: There has been no change in our policy. They are free to come and free to go. They are welcome to come back to visit their relatives and friends and tour Tibet. We hope they can make their contribution to the prosperity and wealth of their native land.

Lhasa TV Criticizes 'Interfering' by 'Westerners'

OW0703171892 Lhasa Tibet Television Network
in Mandarin 1300 GMT 6 Mar 92

[Station commentary: "The Tibetan people are best qualified to speak"; from the "Tibet News" program]

[Text] The right to subsistence is the most basic and crucial part of human rights. The Tibetan people are best qualified to speak on human rights in Tibet. In the old society, the broad masses of Tibetan working people had no guarantee concerning livelihood, serfs could be sold or given to others by their owners, and old poor people usually became homeless. There were no human rights to speak of then.

Since the peaceful liberation of Tibet 40 years ago, the CPC has done a great deal of good for the Tibetan people and the serfs of the past have become the masters of the new society; the situation of human rights among the Tibetan people has fundamentally changed. Now, all citizens have the right to participate in and discuss state affairs and also enjoy full political, cultural and religious rights.

Then, why do some Westerners always rattle and make irresponsible remarks on human rights in Tibet? In doing so, they have ulterior motives—interfering in China's internal affairs on the pretext of human rights in an attempt to internationalize the Tibetan issue and eventually separate Tibet from the big family of China. Such an attempt goes completely against the aspirations of the Chinese people, including people of all nationalities in Tibet; and it is nothing but wishful thinking and it will never succeed.

Article Views History of 'Human Rights' in Tibet

OW0703112092 Beijing BEIJING REVIEW in English
No 9, 2-8 Mar 92 pp 22-25

[Article by Professor Dorje Tsedain, director-general of the China Tibetology Research Center and deputy director of the Qinghai-Tibet Plateau Research Society; "Tibet: Human Rights and China's Sovereignty"—BEIJING REVIEW headline; first paragraph is BEIJING REVIEW introduction]

[Text] The so-called Tibet question has nothing to do with human rights, but is a question bearing on the maintenance of China's sovereignty. A celebrated Tibetologist elaborates on this point by citing vivid examples from his personal experience.

In recent years, especially over the last few months, certain people abroad have raised a hue and cry about the so-called human rights problem in Tibet. They have alleged that China does not respect human rights in Tibet, and accused China of, among other things, "committing genocide," "suppressing civilians," "destroying religion" and "persecuting lamas." Some of them have raised this issue repeatedly in international organizations in an attempt to bring pressure to bear on the Chinese government. In presenting a distorted picture about Tibet, these people have at least showed a lack of understanding of Tibet's history.

As a native Tibetan who has worked for many years in Tibet and is engaged in Tibetan studies, I have acquired a fair amount of knowledge about Tibet's past and present. Far from being a Shangri-la before the peaceful liberation of Tibet and a place "defaced beyond recognition" now as is alleged by some separatists, old Tibet was a feudal serfdom where high clergy ruled in an autocratic fashion with no distinction between church and state. Some foreign friends may not know much about Tibet's past, but they should know much more about Europe's past. Medieval Europe was once under

serfdom, a system notorious for its utter injustice, inhumanity and extreme cruelty and a dark page in both European and world history that one still finds it unbearable to recall. The serfdom that existed in Tibet before 1959 was even worse in that it had gone even further in violating the rights to subsistence of the serfs who made up the overwhelming majority of the Tibetan people. At that time, the serfs, who made up 95 percent of the population, had no land, much less personal freedom, whereas the serf-owners, the Kasha, nobles and high clergy, who made up only 5 percent of the population, not only owned all the land in Tibet but also had total control over the serfs in their possession. Such cruel punishments as gouging out the eyes, chopping off the feet, cutting the tongues, pushing over the cliff, wearing "hats" made of stone and standing in solitary dungeons, would make people shiver by mere recalling.

During the extensive survey of the social conditions in Tibet in the early 1950s, I saw with my own eyes how the three estate-owners of officials, nobles and monasteries exploited the serfs ruthlessly and lived a privileged and luxurious life. For example, Kaloon Surkhang Wangqen Geleg of the old Tibetan local government bribed the Regent Living Buddha with 20,000 pin of silver (one pitz is equal to 50 taels) and a strong mule into making him a kaloon. This amount of money, if used to buy grain at the price of the time, could feed 6,000 serfs for a whole year by the average living standards. This political scandal became so widespread in Lhasa that even today it is still on the lips of the local people.

In old Tibet, there was no freeman. Except for a handful of feudal lords, 95 percent of the Tibetan population were either serfs or plain slaves. There was no serf that did not belong to a serf-owner. For generations, the serfs were bound to the owners' land or estate, forced to toil day and night, undertake corvée and pay taxes. Moreover, completely in servitude, the serfs had no freedom of the person whatsoever. The owners could do whatever they liked to the serfs, ordering them about, exchanging, transferring and even torturing them to the point of maiming and killing them. When one serf met another serf, they did not address each other by their names, but by the names of their masters. Last year while on a study tour in Japan, I met two Tibetan scholars who went abroad in the 1950s. Following the old custom, I asked them who their old masters were. They answered me clearly and without thinking. In monasteries of old Tibet, there was also a rigid stratification system. Most low-ranking and poor lamas had no rights and no conditions to study Buddhism, but worked all year round. In fact, they were but serfs in Kasaya.

In the Tibet, the large numbers of serfs led a very miserable life, struggling on the brink of poverty, starvation and death. In the early 1950s, I saw in Lhasa many dilapidated slums in the east, south and north of the city which were full of beggars. Homeless and wearing nothing but rags, they were languishing in cold and hunger. Even those so-called convicts, with wooden frames on their shoulders and iron shackles around their

legs, had to beg on the streets, because no food was provided in prison. The scene was so shocking that it remains quite fresh in my memory till this very day. The tragic fate of the serfs presented a sharp contrast with the silk-clad serf-owners and officials who went about on horse back. In 1959 around ceremony in the first month of the Tibetan calendar, I was working on an alms-giving project organized by the Preparatory Committee for the Tibet Autonomous Region. [sentence as published] Among those who came to receive the alms were lamas and nearly ten thousand beggars. One must not forget that the entire population of Lhasa at the time was slightly more than twenty thousand. A very popular saying among the serfs in old Tibet goes like this: "What a serf can take away with him is but his shadow and what he can leave behind is but his footprints." This is the true portrayal of the tragic fate of the Tibetan serfs. Facts have proved that in old Tibet, the overwhelming majority of the Tibetan people had no guarantee for a minimum right to subsistence, let alone other human rights. No lie, no matter how carefully fabricated or glibly told, can gloss over the criminal record of human rights in old Tibet.

The Democratic Reform that started in Tibet in 1959 buried the darkest and most corrupt feudal serfdom. The Tibetan people shook off their chains to embrace liberation and became masters of a new Tibet. Like people in other parts of the country, the Tibetan people now enjoy not only extensive rights as laid down in China's Constitution and law, but also rights to self-government as stipulated in the Law of Regional National Autonomy. Moreover, they have received selfless assistance from all across the country in terms human, financial and material resources and been granted various preferential policies by the central government. Therefore, since the Democratic Reform, the living standards of the Tibetan people have improved tremendously. Tibetan culture and Tibetan language have been well protected. Tibetan Buddhism has been respected. The population of the Tibetan nationality has increased substantially. As long as one respects facts, it will not be difficult for him to draw the conclusion that in today's Tibet, there is no such a thing as violation of human rights of the Tibetan people. On the contrary, it is precisely the socialist new China that guarantees the realization of the Tibetan people's rights to subsistence and development and their full enjoyment of human rights.

Most profound changes have taken place in the human rights situation in Tibet. Here, I would just cite two examples. First, Mr. Gyipu Phuntsog Tsedain, current vice-chairman of the people's government of the Tibet Autonomous Region, was a member of the nobility in the old Tibet and once served as magistrate of Gyangze County under the former-local government of Tibet while Mr. Lhagba Phuntsog, also vice-chairman of the people's government of the Tibet Autonomous Region, used to be a serf of the noble Gyipu Clan. Such examples are numerous. Second, Sexin Village under the jurisdiction of Diolungdeqen County used to be a manor under

the rule of the 14th Dalai Lama Clan. In the early 1950s, there were only 22 households in the village, 18 of which were serfs and four of which were slave servants. The manor had a total population of less than 120. Today, the village has 65 households (all Tibetans) with a total population of 354, three times that of 40 years ago. All the school-age children in the village are at school. All the youth under 30 have received elementary education with six junior middle school graduates, three having received senior middle school education and one female university student. This was inconceivable in the past. These two examples alone suffice to show that in today's Tibet, human rights are no longer the privileges enjoyed only by a few estate-holders, but rather they are equal rights enjoyed by Tibetan people.

Certain hostile forces abroad, turning a blind eye to the actual human rights situation in Tibet, have concocted the lie that the Chinese government has violated Human rights in Tibet. To put it bluntly, their real purpose is to wantonly interfere in China's internal affairs and ultimately to split Tibet from the territory of the People's Republic of China by using human rights as a pretext. As for those separatists who have fled the country and raised clamours about human rights in Tibet, they just want to give vent to their discontent and hatred over the loss of the privileges they used to enjoy and over the emancipation of the Tibetan serfs and their subsequent entitlement to civic rights. Casting in their lot with the hostile foreign forces, they have become the latter's most aggressive henchmen and pawns in their activities aimed at separating Tibet from China. While stirring up trouble over the so-called human rights issue in Tibet, these two types of people have spared no efforts to preach the idea that "Tibet is an independent state," which is no less absurd than their lies about the human rights' situation in Tibet. I therefore cannot but refute these theories in a few words.

The entire country of China including Tibet was unified as far back as the beginning of the 13th century during the Yuan Dynasty. Tibet has since formally become part of Chinese territory and the Tibetan nationality an important member of the big family of the Chinese nation. From then up to now, the central government has over the centuries exercised sovereignty over Tibet. There are a wealth of historical documents which serve to testify to the subordinate status of Tibet to the central government since the Yuan Dynasty, including the 3 million volumes of the archives of the local governments of Tibet in the Tibetan language currently kept in Tibet. They are historical evidence on the issue. It was the central government which had the power to finally confirm the installation of the Dalai Lama from the sixth up to the 14th. Gashar—the original local government of Tibet—was established in 1751 only with the approval of Emperor Qianlong of the Qing Dynasty. The Tibetan vocabulary did not even have the word "independence" until the beginning of the 20th century. The so-called Tibetan independence is a result of the imperialist aggression in China's modern history. In the early years

of the century, the British imperialists masterminded "the independence of Tibet" in an attempt to control and occupy Tibet, but they had failed. In 1931 (when the 13th Dalai Lama was alive) and 1945, the local government of Tibet sent official representatives to the National Assembly (parliament) held by the Kuomintang government in Nanjing. We should like to ask: How could Tibet, if it were an independent state as claimed by some people, designate official representatives to become members of parliament of "another country"? And how could the Chinese parliament accept "foreigners" as its members? Obviously, the theory of "Tibetan independence" preached by both the separatists and hostile forces abroad has no legal or historical basis and therefore cannot hold water.

Finally, I would like to add one more point. Tibet was closed to the outside world for a long time owing to various factors. Consequently, most foreigners do not have an adequate knowledge of the history of Tibet and its present conditions. This has made it possible for Tibetan separatists and hostile forces abroad to spread lies to mislead the public and accomplish their malicious aims. As a result, not a few people, kindhearted but unaware of the truth, have joined those with ulterior motives in censuring the Chinese government and have even gone so far as to support the independence of Tibet, which has actually served to encourage the Tibetan separatists and anti-China forces abroad. However, I am convinced that as China unswervingly implements its opening-up programme, more and more people in the world will come to know the past and the present of Tibet, turn their back on the rumour-mongers, sympathize with and support the great cause of socialist modernization currently under way in Tibet. They will join the Chinese people in the expectation for a brighter and more beautiful Tibet in future.

Historian Refutes 'Independent Tibet' Claim

HK0903001792 Beijing CHINA DAILY in English
7 Mar 92 p 4

[By Zhang Kewen: "Claim of 'Independent Tibet' Refuted"]

[Text] At a recent "Seminar on Historical and Contemporary Tibet," Yang Gongsu, Peking University professor and historian, said that in the 1911-50 period, Tibet remained a part of China, and it would be wrong to describe it as an independent country at that time.

He made the remarks at the seminar, sponsored by the quarterly journal China's Tibet, to refute "erroneous notions" on Tibet's legal status advanced by Hollander Michael C. van Walt van Praag, a legal adviser to the exiled Dalai Lama.

Van Praag is one of the Tibet independence advocates who try to interpret unfortunate factors in the 1911-50 period of Tibet's relationship with the central government of China as proofs of the independence of the area at that time.

The year 1911 saw the Republican Revolution, in which the Qing Dynasty was overthrown and the Republic of China founded, but the resultant turmoil encouraged Britain, from its base in India, to step up its long-cherished scheme to separate Tibet from China.

Consequently, traditional ties between Tibet and other parts of the country were somewhat undermined until the central government of the newly founded People's Republic began the peaceful liberation of Tibet in 1950.

In his book *"The Status of Tibet—History, Rights and Prospects in International Law"* published in 1987 and recently translated into Chinese in China for scholarly study, van Praag cited three occurrences which he said "helped determine the international status of Tibet" as an independent state:

1. In 1913, Tibet announced its independence from China;
2. Tibet attended the 1913-14 Simla Conference in India, along with China and Britain, and signed the Anglo-Tibetan Agreements, which suggest the "formal recognition of the Tibetan delegate to the conference...to conclude a treaty on an equal footing with Great Britain and China, and the recognition by the governments of those countries since 1911 of Tibet's...unimpaired international personality (p.137).
3. Tibet remained neutral when China fought Japan in the Second World War.

Professor Yang Gongsu countered van Praag's view, pointing out that first of all, Tibet did not announce independence from China in 1913, and the documents cited don't prove that the announcement was made.

Yang said that in 1913, when the Sichuan troops stationed in Tibet were divided into two groups to fight each other, the 13th Dalai Lama, then in India, made a declaration through the local Tibetan government calling for expulsion of the Sichuan army from Tibet.

Some Britons later cited this as a declaration of independence, but the original of the text said nothing about the independence of Tibet. "So we can not say that the declaration is one for 'complete independence' of Tibet," Yang commented.

Regarding another document cited by van Praag to back his argument, the secret speech by the 13th Dalai Lama in 1913 later known as the Buddhist proclamation, Yang said this does not support van Praag's claim either.

According to van Praag, Tibetans were described as a "small, religious, and independent nation (p.49)," in other words, Tibet was regarded as independent.

Yang noted that the words used in the Tibetan-language Buddhist proclamation, when made public by the 13th Dalai Lama in 1932, were not "Tibetan nation," but "Tibetan region."

Furthermore, Yang questioned the authority of the document cited by van Praag. According to van Praag's note

in the book, the so-called document was copied from the real one by an (ordinary) Tibetan local government official named Tsepon W.D. Shakabpa in 1927 and that copy is in his possession (p.227).

Yang noted that van Praag is not a real scholar for he "does not cite the official document issued by the person concerned, but relies on the so-called privately kept copy of that document by a biased person."

On the Simla Conference, Yang's argument was:

The Tibetan delegate was allowed by China to attend the Simla Conference only in the capacity of a local government representative and the agreement signed between Tibet and Britain, illegal itself, cannot be used as a counterproof of anything in favour of Tibet independence.

After the Republic of China was founded in January 1912, Yang said, Britain notified the Chinese government that it would hold a China-Tibet-Britain conference in India to solve "China-Tibet" disputes and that if China refused to be present, Britain would not recognize the newly founded government.

China was forced to send a representative there as a result, Yang said. But prior to the meeting it made a statement that it allowed Tibet to send a representative to the conference only in the capacity of being guided by the central government representative.

The Tibetan local government representative at this conference did request independence, but it was refused by the central government.

The British representative Sir Henry McMahon then tried to force China to accept his plan—granting full autonomy to "outer Tibet," among other things, in exchange for reaffirmation that Tibet was part of China.

But Yang said the Chinese representative, instructed by the Chinese government, refused to formally sign the so-called Simla Convention and declared that China would never recognize any similar treaties.

The British representative and Tibetan local government representative then signed the Simla Convention and the two sides, in secret, also signed other treaties.

Professor Yang noted that since the Tibetan local government did not represent a sovereign state, it had no right to sign any agreement with a foreign state.

Yang said even Britain did not recognize Tibet was independent, but just requested its "full autonomy."

Yang said that because of the illegal nature of the Simla Convention and other secret agreements, the British government did not publish them, but instead, tried in 1919 to demand that the Chinese government reopen a similar conference. This time it was refused.

Yang noted that the British colonists and British government did not have the courage to declare Tibet an independent country upon its attendance at the Simla

Conference, but van Praag had gone much further to use this as a proof of Tibet's independence."

"I wonder how he can claim to be an expert on Tibet," Yang said.

On van Praag's notion concerning Tibet neutrality during China's war, Professor Yang argued that Van Praag's accounts of facts are incomplete and therefore misleading.

One example raised by van Praag is that in 1941 (before the Pacific War broke out), the Tibetan government refused Chinese central government's plan to build a highway that could transport allies' military supplies from India to (other parts of) China through Tibet.

Yang pointed out that van Praag here failed to mention the role of Britain.

In the early stage of China's War of Resistance against Japanese Aggression, which broke out in 1937, Britain as a world power acted at the expense of China (which Chinese historians interpreted as moves to avoid offending Japan).

Britain in 1940, for example, closed the China-Burma highway, the only passageway for the Chinese government to the outside world after coastal areas were occupied by Japanese troops.

"It was Britain that instructed Tibet not to permit the building of the (China-India) highway," Yang said.

If van Praag does not know these background facts, Yang said, he would be very ignorant. If he does know, but still tries to interpret Britain's behaviour in the early stage of China's war with Japan as providing Tibet's neutrality or independence of action, he must be actuated by ulterior motives.

In his book, van Praag draws the conclusion about the three occurrences that "...Tibet had fully recovered its independence by 1913 and was, throughout the four decades that followed, a State in international law in the fullest sense of that term (p. 134)."

On this, Yang said that according to international law, the most important thing required of a state is a government with sovereignty, rather than mere government, territory and residents. Tibetan local government in the 1911-50 period was not a sovereign government, so Tibet was not a state at that time.

For this reason, he said, not a single country in the world recognized the independence of Tibet, and not a single country opposed the view that Tibet is part of China.

North Region

Li Ximing Attends Magazine Anniversary Forum

SK0703132892 Beijing BEIJING RIBAO in Chinese
18 Jan 92 p 1

[Text] The forum to mark the first anniversary of the publication of ZHENDI [FRONT] magazine was held yesterday. Li Ximing, secretary of the municipal party committee, attended and addressed the forum. Mayor Chen Xitong made a telephone call to extend congratulations.

ZHENDI is a comprehensive theoretical periodical which the Beijing Municipal CPC Committee and the municipal government have entrusted the Shoudu Social and Economic Development Research Institute to run. Since its first publication on 10 January 1991, seven issues have been published, with 122 articles and 650,000 characters. It has appraised and probed into the major theoretical and practical issues of how to comprehensively understand and implement the party's basic line and to build socialism with Chinese characteristics, and "hot-spot" issues about which the masses are generally concerned, such as upholding the central task of economic construction and the socialist public ownership economy, running large and medium-sized state enterprises, studying and popularizing the experience of Shoudu Iron and Steel Company, strengthening party building as well as ideological and political work, upholding the people's democratic dictatorship, opposing "peaceful evolution," and democracy, freedom, and human rights; clarified the rights and wrongs of some major theories in the political, economic, ideological, literary and art spheres which were confused by bourgeois liberalization by combining theory with practice; and exposed and analyzed the contradictions inherent in the capitalist system and its unconquerable defects. Some important articles in ZHENDI have been reprinted by RENMIN RIBAO, GUANGMING RIBAO, and BEIJING RIBAO.

Since its first publication a year ago, ZHENDI has been acclaimed and well received by all circles. They generally reflected that ZHENDI has a clear-cut stand and is profound in theory, having its own characteristics and style and realistically turning itself into a front of upholding Marxism-Leninism-Mao Zedong Thought.

Reportage Details Beijing Mayor's Activities

Urges More Foreign Investment

OW0703141692 Beijing XINHUA in English
1352 GMT 7 Mar 92

[Text] Beijing, March 7 (XINHUA)—Mayor of Beijing Chen Xitong today called for bold steps to attract more foreign investment and advanced technology, to use foreign managerial personnel and to enlarge foreign labor co-operation.

He was addressing a working conference of the city's Foreign Finance and Trade Department.

Medium and small high-tech and export-oriented enterprises will get the main emphasis for foreign investment, according to Yi Xiqun, director of the department.

Meanwhile, Yi said, a few large-scale joint programs involving energy, transportation and basic industries will also come on schedule in the next few years.

In the near future the municipal government will focus its efforts on the construction of two small newly-developed industrial districts—in Yizhang and Shangdi villages—with foreign investment. It is also going to try Sino-foreign joint trading ventures.

By the end of February this year Beijing had approved 1,742 joint ventures. The agreed investment totalled about 5.63 billion U.S. dollars, of which 2.61 billion U.S. dollars was foreign investment.

Foreign investment has also helped boost such industries as automobile-making, electronics, foodstuffs and clothing in the city.

However, the bulk of the approved joint ventures are still labor-intensive.

To change this situation, the government has asked the banks to extend more loans for imports of new technology and key equipment.

In addition, it has granted more freedom for international labor co-operation; every work unit in Beijing is now permitted to engage in such deals through every possible channel.

A fine trend of foreign co-operation has been recorded in the first two months of this year. With 181 joint ventures approved, the municipal government has made use of another 140 million U.S. dollars, doubling the amount attracted last year.

Commends 'Brave Citizens'

OW0403193992 Beijing XINHUA Domestic Service
in Chinese 1405 GMT 4 Mar 92

[By RENMIN RIBAO reporter Yan Shigui (7346 0013 6311) and XINHUA reporter Luo Xiaolu (5012 2556 6424)]

[Text] Beijing, 4 March (XINHUA)—Chen Xitong, state councillor and mayor of Beijing, and others today presented glittering golden cups to 20 residents of the capital, who are the first honored as "brave citizens in the capital." The cups, engraved with the names of their recipients, bear a design of hands upholding symbols representing brightness and justice.

Recipients of the awards include Ma Runkun, who helped public security authorities in cracking over 100 cases and personally captured 150 felons; Yu Shulan and Wang Guizhi, who rescued some one dozen children and

two elderly people from a mud slide; the 74-year-old Wang Ke who helped capture a murderer; Xi Zhihua, He Feng, He Shuming, Yang Dongmin, Zhao Yongquan, Pu Wenping, and Liu Jianshan, who fought bad people and robbers; Wang Yu, Wang Hongtu, Tian Jugang, Tian Juyong, and Tian Juqiang who rescued people and property from a fire; Wang Zhenlin and Zhang Hanqi, who bravely removed bulky obstacles from railway tracks to avoid a serious accident; Ren Zhiqing, who risked personal safety and caught a young boy falling from a 15-story tall building; and Zhang Guozhu, who dived into deep water and saved two children. The oldest award recipient is 74, and the youngest is 18.

The award recipients were honored as "brave citizens of the capital" and awarded the "Medal of Spiritual Construction in the Capital" at the decision of the capital's leading group for spiritual construction.

Also commended at the meeting today were 54 other people.

This first campaign to nominate and choose "brave citizens in the capital" was sponsored by the Office of the Leading Group for Spiritual Construction in the Capital and the BEIJING WANBAO for the purpose of promoting ethics and encouraging people to cherish and construct the capital and uphold justice.

People in the capital welcomed the campaign. Telephones rang off the hooks in the "nomination offices" established in 18 city districts and counties, and many people visited the offices in person to nominate their candidates. People said that there are more brave people in recent years; this has something to do with improvement of public order, as well as with the great support rendered to the drive of commending all types of good people.

Speaking at the meeting, Beijing Mayor Chen Xitong said: Beijing is the capital of all people in the country, and so each and every resident in Beijing should ensure the beauty, safety, civility, and order of the capital as its master. The 20 brave citizens in the capital have set for us an example by displaying the sense of responsibility as the masters of the capital. People in the capital should be heroic and cherish the interests of the whole, be ready to help people, have a high sense of responsibility and honor, uphold justice, and be willing to make sacrifices. The campaign has now created an upsurge of eulogizing good people and acclaiming ethical deeds. Led by the party Central Committee with Comrade Jiang Zemin as the core, we are now implementing the party's basic line in all spheres, and we have been firmly proceeding with our reform and opening up endeavors, economic construction, and crackdown on all types of felony. We are sure that the capital's construction will be even more successful.

It is learned that "brave citizens in the capital" will be nominated once every year. BEIJING WANBAO and other newspapers and journals in the capital will continue to report the good deeds of these citizens.

Hebei Secretary on Reform at People's Congress

SK0803070192 Shijiazhuang Hebei People's Radio
Network in Mandarin 2300 GMT 6 Mar 92

[Text] Deputies from Baoding city to the fifth session of the seventh provincial People's Congress have spoken out freely over the past two days in discussing the three reports given by the provincial people's government and voiced their opinions frankly. Xing Chongzhi, secretary of the provincial party committee, in the capacity of ordinary deputy, joined in the group discussion.

During the discussion, the central topics raised by the deputies included suggestions of further emancipating minds and accelerating the pace of implementing reform as well as opening the province to the outside world by firmly regarding economic construction as a center.

During the discussion, Deputy Xing Chongzhi stated that in conducting reform, we should not remain at the original point; and should harbor new ideas, study the new situation, deal with the new problems, and pioneer the road of advance in a down-to-earth manner. Only by so doing can we achieve new progress in conducting reform.

Following the opinions raised by Xing Chongzhi at the discussion, deputies, including (Chen Zhiping) and (Zhang Hulong), stated that in further boosting reform, we should first further emancipate our minds and change our concepts. The fundamental reason why our province's pace of reform is not faster than that of southern provinces is that we have not sufficiently emancipated our minds and have not been strong in carefully conducting reforms. We have not boldly made breakthroughs in many rules and regulations that are restricting the development of productive forces. Deputies, including (Wang Xiuhua), (Huang Jimin), and (Yang Runlin), also stated that we should boldly conduct exploration and boldly engage in reform as long as we have fixed our targets.

After hearing the opinions raised by these deputies, Deputy Xing Chongzhi repeatedly nodded his head. When some deputies mentioned the increasingly over-staffed organizations and increasingly heavy financial burdens over the past few years, Deputy Xing Chongzhi stated that we should also vigorously grasp reforms among organizations. For example, in conducting reform among organizations at the county level, we may have surplus personnel go to the forefront of production by opening some service enterprises. We may also have them reinforce the grass-root leading bodies. By so doing can we have them fully use their talents and train them to be good cadres. In response to his opinions, the deputies stated that we failed to simplify the organizations though we have been engaged in the work for many years. If we fail to conduct reform in this regard, we will certainly become passive in our daily work. Therefore, we should begin setting an example in this regard, start reform in our own units, and create a new situation in this regard as soon as possible.

Hebei Government Announces Personnel Appointments
SK0803001092 Shijiazhuang HEBEI RIBAO
in Chinese 14 Jan 92 p 4

[Excerpt] The Hebei Provincial People's Government made decisions on 21 December 1991 and 1 January 1992 on the following personnel changes:

Li Zizhuang [2621 5261 1104] was appointed as deputy director of the Hebei Provincial Light Industrial Department.

Wang Zhenghua [3769 1767 5478] and Yang Guohua [2799 0948 5478] were appointed as deputy directors of the Hebei Provincial Statistical Bureau.

Li Qingzhen [2621 1987 4176] was appointed as chief statistician of the Hebei Provincial Statistical Bureau.

Li Guobin [2621 0948 2430] was appointed as deputy director of the Hebei Provincial Supplies Bureau.

Yin Zidong [1438 4793 2639] was appointed as vice president of the Hebei Provincial Academy of Sciences. [passage omitted]

Northeast Region

Border City Holds Trade Fair in Heilongjiang

SK0703133292 Harbin Heilongjiang People's Radio
Network in Mandarin 1000 GMT 5 Mar 92

[Text] The largest foreign economic relations and trade activities of Heilongjiang's border ports—the Heihe economic and trade fair for the dragon festival which falls on the second day of the second month by the lunar calendar—opened today. Heihe Prefecture's economy was rather backward in the past. The mechanism of establishing ties with localities south of Heilongjiang and opening to those north of Heilongjiang has helped accelerate Heihe's economic development. So far, Heihe has established ties with more than 700 enterprises in 36 cities of nine states of the CIS and 29 provinces, municipalities, and autonomous regions of the country, becoming a trade gateway on which the country and the world focus their attention.

The city of Heihe was colorfully decorated to welcome more than 800 businessmen from eight countries, including Russia, Ukraine, Kyrgyzstan, and Kazakhstan. In the exhibition hall covering an area of nearly 4,000 square meters, more than 15,000 commodities from 21 provinces, municipalities, and autonomous regions of the country were displayed. The ample commodities displayed in the Russian commodity street surprised the foreign guests from Russia and other countries.

The economic and trade fair will be held for three days. Literary and art performances, Yangko dance performances, lantern shows, and other cultural activities will be supplemented with economic activities, such as commodity display and trade talks.

Attending the economic and trade fair were Zhou Wenhua, Wang Haiyan, Zhang Xiangling, Zhou Tienong, and

Li Min, provincial leaders; Chen Lei, member of the Central Advisory Commission; Li Jianbai, Standing Committee member of the National People's Congress; and Zhao Dezun and Chen Jianfei, provincial-level retired cadres. Chen Junsheng, state councillor, Sun Weiben, secretary of the provincial party committee, Shao Qihui, provincial governor, sent congratulatory messages or letters.

Zhou Wenhua, deputy secretary of the provincial party committee, gave a speech. He said: Heihe occupies a very important strategic position in the opening of the province and the country. We should continue to improve both the intangible and tangible environments of this port; expand its foreign economic cooperation in all directions, at all levels, and through various measures; explore in-depth cooperation with other countries; cultivate and expand the channels for commodity information exchanges and the information market at home and abroad; promote in-depth and comprehensive development with foreign trade development as the purpose; coordinate industrial and agricultural production, commerce, technological development; and [word indistinct] with foreign trade, turn our advantages in geographical position and resources into economic resources, and build Heihe into an economic special zone with a large extent in opening, great appeal, great influence, and substantial strength in opening to the outside world and into an international trading port of the northeast Asia economic zone as soon as possible.

Jilin Provincial CPPCC Committee Session Ends

SK0803051492 Changchun Jilin People's Radio
Network in Mandarin 1030 GMT 7 Mar 92

[Excerpts] The fifth session of the sixth provincial Chinese People's Political Consultative Conference [CPPCC] Committee concluded the six-day meeting on the afternoon of 7 March after successfully fulfilling various items on its agenda.

During the session, the participating members heard the report on the explanation of the government work report given by Governor Wang Zhongyu on the Eighth Five-Year Plan; the report given by Gao Wen, vice chairman of the provincial CPPCC committee, regarding the work done by the sixth provincial CPPCC Standing Committee, and the report given by Vice Chairman Luo Yuejia regarding the handling of motions raised by members since the fourth session of the sixth provincial CPPCC committee. The session also held a group discussion on these reports and had the participating members voice their opinions on these reports.

During the session, participating members, being masters of their own affairs and having the sense of political responsibility, enthusiastically spoke out and aired their views freely and mutually discussed the province's major plans for economic construction, reform, opening-up policy, and for the development of patriotic united front. The session was filled with an atmosphere of unity, enthusiasm, democracy, and harmony from beginning to

end. The session agreed with the government work report given by Governor Wang Zhongyu regarding the Eighth Five-Year Plan, other reports, and the draft plan for economic and social development during the Eighth Five-Year Plan period. [passage omitted]

The fifth session of the sixth provincial CPPCC committee held a closing ceremony on the afternoon of 7 March that was presided over by Gao Wen, vice chairman of the provincial CPPCC committee. During the closing ceremony, seated in the front row on the session's rostrum were Liu Yunzhao, chairman of the provincial CPPCC committee; Gu Changchun, deputy secretary of the provincial party committee; and Zhang Dexin, Luo Yuejia, Jin Minghan, Lu Shiqian, Feng Xirui, vice chairmen of the provincial CPPCC committee. [passage indistinct]

During the closing ceremony, Liu Yunzhao, chairman of the provincial CPPCC committee, delivered a speech. [passage omitted]

During the session, the participating members also heard the report on relaying the recent important speeches given by the leading comrades of the central authorities.

Quan Shuren at Opening of Local CPPCC Session

SK0703143292 Shenyang Liaoning People's Radio
Network in Mandarin 1030 GMT 6 Mar 92

[Report on opening ceremony of the Fifth Session of the Sixth Liaoning Province Chinese People's Political Consultative Conference Committee in Shenyang on 6 March—recorded]

[Excerpts] [Passage omitted] At 0900 the session opened to the majestic music of the national anthem. Shen Xianhui, vice chairman of the provincial Chinese People's Political Consultative Conference [CPPCC] Committee, presided over the session. Attending the meeting were Xu Shaofu, chairman of the provincial CPPCC Committee; vice chairmen of the provincial CPPCC Committee, including Shen Xianhui, Chen Enfeng, Chen Yanzhi, Liu Mingjiu, Ma Longxiang, Yue Weichun, Liu Qingkui, Peng Xiangsong, Li Qisheng, Li Ming, and Wang Shuzhi; and (Li Binghua), secretary general of the provincial CPPCC Committee.

Among those who were invited to the session were leading comrades of the provincial party committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress Standing Committee, the provincial CPPCC Committee, and the provincial military district, including Quan Shuren, Yue Qifeng, Sun Qi, Shang Wen, Wang Julu, Ma Shenglin, Xu Wencai, Ge Xifan, Zuo Kun, Wen Shizhen, Lin Sheng, Xiao Zuofu, and Zhang Chenglun; and veteran comrades from the provincial level organs, including Li Tao, Song Li, Chen Yiguang, Liu Yiyun, Zhu Chuan, Luo Dingfeng, Xie

Huangtian, Zhao Shi, Liu Wen, Liu Zenghao, Wang Jiyang, Zhang Yan, (Li Zhi), Wu Yousan, (Wu Jingan), and (Yu Dingxin).

Chairman Xu Shaofu made an opening speech. [passage omitted]

Li Qisheng, vice chairman of the provincial CPPCC Committee, entrusted by the provincial CPPCC Standing Committee, delivered a work report. [passage omitted]

(Zhao Wenhui), chairman of the motion committee under the provincial CPPCC Committee, gave a report on the work of handling the motions at the session.

Quan Shuren at Opening of Provincial Congress

SK0803063792 Shenyang Liaoning People's Radio
Network in Mandarin 1030 GMT 7 Mar 92

[Excerpts] The fifth session of the Seventh Liaoning Provincial People's Congress was ceremoniously opened in the provincial people's theater on the morning of 7 March. [passage omitted]

More than 700 deputies from various localities throughout the province got together to discuss the major plans for boosting the province's economy and social development. They will regard as guidance the important speeches given by the leading comrades of the central authorities.

Presiding over the opening ceremony were executive members of the session's presidium, including Quan Shuren, Dai Suli, Wang Guangzhong, Shang Wen, Wang Julu, Tang Hongguang, Feng Yousong, Zhang Zhiyuan, Cui Ronghan, Zuo Kun, Cheng Jinxiang, Li Jun, and Yu Xiling.

At 0900, Wang Guangzhong, executive member of the session's presidium, announced the opening of the session. [passage omitted]

Governor Yue Qifeng delivered a government work report at the session, which is divided into three parts that includes a review of the work done in 1991, major tasks for 1992, and actual efforts to enhance the self-improvement of governmental organs. [passage omitted]

Among those who attended the session as observers were chairman, vice chairmen, and members attending the fifth session of the Sixth Provincial Chinese People's Political Consultative Conference [CPPCC] Committee; honored guests from Hong Kong and Macao; leading comrades from the provincial party committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial people's government, and the provincial military district; and veteran comrades who had been in the provincial leading posts.

Among those who attended the session or attended the session as observers were Li Tao, Song Li, Zhang

Zhengde, Xu Shaofu, Sun Qi, Ma Shenglin, Zhang Guoguang, Xu Wencai, Hu Yimin, Ge Xifan, Chen Yiguang, Liu Yiyun, Zhu Chuan, Luo Dingfeng, Xie Huangtian, Zhao Qi, Liu Wen, Liu Zenghao, Liu Peng, Wen Shizhen, Chen Suzhi, Lin Sheng, Xiao Zuofu, Wang Wenyuan, (Wang Juyuan), Tan Liren, Shen Xianhui, Chen Enfeng, Liu Mingjiu, Ma Longxiang, Yue Weichun, Liu Qingkui, Peng Xiangsong, Li Qisheng, Li Ming, Wang Shuzhi, Zhang Yan, Wei Zhi, (Wu Jianan), Yu Jingqing, Zhang Huanwen, Xu Sheng, and Qi Zheng, secretary general of the provincial People's Congress.

Northwest Region

Gansu Secretary Addresses United Front Conference

HK0903053092 Lanzhou Gansu People's Radio Network in Mandarin 2300 GMT 3 Mar 92

[Text] Yesterday afternoon, provincial party committee Secretary Gu Jinchu delivered a speech at a provincial united front work department directors conference.

Gu Jinchu pointed out: All united front work departments must endeavor to successfully carry out their work by stepping up their own contingent building. First, this year is the second year of the Eighth Five-Year Plan. All united front work departments are confronted with an arduous task of further emancipating minds, speeding up the pace of reform, promoting economic development, and making this year's work more successful. Second, stability is a guarantee of economic construction, reform, and opening up. The new international and domestic situations have raised higher demands on the united front work. Third, we must make every possible effort to ensure a smooth process of all elections to be held by various democratic parties within themselves this year, and act in accordance with the principle formulated by the central authorities of making cadres younger in average age, politically reliable, and competent in participating in the discussion and management of the state and political affairs. Fourth, we must strive to carry out successfully all types of work by stepping up our contingent building. This is because the united front work directly affects relations between the CPC and the masses as well as between the CPC and various democratic parties.

Gansu Governor Says Province Lagging Behind

HK0803060692 Lanzhou Gansu People's Radio Network in Mandarin 2300 GMT 4 Mar 92

[Excerpt] On 3 March, Governor Jia Zhijie called together persons in charge of comprehensive departments to consult with them about reform, which is a matter of vital importance. He called on the participants to seize the opportunity, free themselves from old ideas, and carry out reform in a bold way to expedite Gansu's development.

Jia Zhijie said: Since the Third Plenary Session of the 11th CPC Central Committee, driven by the central

policies for reform and opening, we have made great achievements in developing Gansu's economy. Especially in the 1984-88 period, we made a big stride in this respect by seizing the opportunity offered by reform. But, we should be aware Gansu's economic development leaves much to be desired. The gap between Gansu and other developed provinces and regions in coastal areas is getting bigger and bigger. We must further free ourselves from old ideas and display boldness in carrying out reform and in blazing new trails so Gansu's economy will advance in another giant stride.

Jia Zhijie continued: The provincial party committee and government have shown inflexible determination, and the people of the whole province are crying for further reform and opening to the outside world. What matters at present is that departments at all levels must seek unity of thinking, keep in step, and make concerted efforts. At the same time they must work out feasible measures for reform and opening and vigorously put them into effect. Only by grasping the link of reform and opening, will Gansu stand a good chance of success. [passage omitted]

Shaanxi Governor Addresses People's Congress

HK0903090692 Xian Shaanxi People's Radio Network in Mandarin 0030 GMT 5 Mar 92

[Excerpts] The Fifth Session of the Seventh Shaanxi Provincial People's Congress was solemnly inaugurated in Xian yesterday.

At about 0800, more than 500 deputies began arriving at the Xian People's Building auditorium. [passage omitted]

Li Xipu, provincial People's Congress Standing Committee chairman and Fifth Session Presidium executive chairman, presided over the opening ceremony. [passage omitted]

Provincial party committee, advisory committee, discipline inspection commission, government, Chinese People's Political Consultative Conference [CPPCC] committee, and military district leaders, including Bai Qingcai, Zhou Yaguang, Mou Lingsheng, Li Huanzheng, Zhao Huanzhi [provincial military district political commissar], Wang Zhicheng [provincial military district commander], Xu Shanlin, Wang Shuangxi, Liu Chunmao, Zheng Silin, Jiang Xinzhen, and Hu Tiyun, also attended and were seated at the rostrum at yesterday's opening ceremony. [passage omitted]

Shaanxi-based Central Advisory Committee members and Seventh CPPCC National Committee members also attended and were seated at the rostrum at yesterday's opening ceremony.

At 0900, Li Xipu declared the Fifth Session of the Seventh Shaanxi Provincial People's Congress open. [passage omitted]

Governor Bai Qingcai gave a work report on behalf of the Shaanxi Provincial People's Government amid warm applause.

Governor Bai Qingcai's work report was divided into the following three parts:

1. A review of the 1991 work;
2. The main tasks for the 1992 economic and social development; and,
3. To make practical efforts to step up government building.

Bai Qingcai concluded by saying: The tasks confronting us are extremely arduous. The fulfillment of all the tasks depends on concerted efforts on the part of all the people in Shaanxi. Let us unify ideology, brace up, work hard under the leadership of the party Central Committee and the provincial party committee, and strive to greet the forthcoming victorious convocation of the 14th CPC National Congress with greater achievements in construction and reform!

Xinjiang Chairman Cites Activities of 'Splittists'

OW0703190492 Urumqi Xinjiang Television Network in Mandarin 1655 GMT 6 Mar 92

[Report on speech by Chairman of the Xinjiang Autonomous Regional People's Government Tomur Dawamat at the Fifth Session of the Seventh Xinjiang Autonomous Regional People's Congress; from the "Xinjiang News" program; read by announcer]

[Text] Tomur Dawamat, chairman of the Xinjiang Autonomous Regional People's Government, emphasized in his government work report to the Fifth Session of the Seventh Xinjiang Uygur Autonomous Regional People's Congress: It is necessary to do good, persistent work in maintaining stability so as to facilitate economic construction and other undertakings.

Tomur Dawamat said in the report: To maintain political and social stability is a task of prime importance this year. The people's governments at all levels must attach great importance to the task, and earnestly perform it well. The changeable international situation has affected and is still affecting Xinjiang's social stability. Hostile forces, both at home and abroad, have stepped up their infiltration, subversion and sabotage. A handful of national splittists in Xinjiang, colluding with national splittists outside Xinjiang, have also stepped up their splitting activities and sabotage. At the same time, we are engaged in a struggle against serious crimes, including serious economic crimes and public security problems. To ensure stability this year under such a serious situation, we should take the party's basic line as guidance, put the stress of our work on frustrating the national splittists' sabotage and on making comprehensive efforts to improve public order, and provide protection and legal service to economic construction, reform, and to the outside world, and the people's livelihood.

Tomur Dawamat pointed out: The people's governments at all levels should continue to strengthen grass-roots units, maintain stability at the grass-roots level, and eliminate all factors of instability at the grass-roots level. We should give full play to the functions of public security organs, the procuratorates and the judiciary, and strengthen the people's democratic dictatorship. We should further improve the joint-defense system of the Army, police, militia and the people; resolutely resist and strive against the sabotage by hostile forces at home and abroad; and make comprehensive efforts to improve public order. We should harshly punish according to law any criminals who seriously disrupt public order, as well as those who commit such serious economic crimes as embezzlement and bribery.

Further on Dawamat Work Report

OW0603124192 Urumqi Xinjiang Television Network in Mandarin 1655 GMT 5 Mar 92

[From the "Xinjiang News" program]

[Text] In delivering a government work report at the Fifth Session of the Seventh Xinjiang Uygur Autonomous Regional People's Congress, Tomur Dawamat, chairman of the regional people's government, stressed: We should vigorously initiate secondary and tertiary industries, with village and town enterprises as their main body, in counties and townships to promote the overall economic development in these places.

Tomur Dawamat noted in his report: Vigorously developing county and township secondary and tertiary industries is an important task in the government's work and should be placed on the agenda. We should attach importance to this task for practical results. We should conscientiously implement the region's relevant decisions on stepping up the development of county and township industry, and the important decisions on developing the frontier through trading, inaugurating secondary and tertiary industries with cotton production, and developing the mining industry. We should develop a variety of market-oriented industries in line with favorable conditions of various localities and firmly take the road of developing state-run, collective, joint-household, and individual industries simultaneously, with the collective economy as the focus.

Tomur Dawamat said: The main part of developing county and township secondary and tertiary industries is to develop village and town enterprises. We should continue to enforce the principle of vigorously supporting such enterprises, emphasizing practical results, taking local conditions into account, and giving detailed guidance. Industries should be developed in localities suited for industries, so are mining and trading. This year, we should resolutely do a good job in running the backbone enterprises, mainly the collective and industrial enterprises, in localities near Urumqi, along railways, and in the vicinities of oil fields, where conditions are better. We should emphatically develop projects

involving high technology, high added values, and high economic returns and make great progress in expanding their scale and in raising their grades and levels. We should make efforts to inaugurate projects that require a small investment, short period of time, and yield quick returns, so that every project we launch is successful. We should adhere to the orientation of serving the people in urban and rural areas, large-scale industries, oil exploration, and export. We should produce, on a small scale, a variety of goods that cater to major markets. We should further readjust the industrial structure, product mix, and technical pattern with a view to raising product quality and economic returns. We should gradually set up a number of county and township economic and technical development zones, and minor village and town industrial districts in places where efficient transport facilities, energy, and abundant resources are available, and where central markets are near, so as to create a good minor environment for accelerating the development of secondary and tertiary industries in counties and townships.

Xinjiang Benefits From Opening Up to Outside

*OW0703141492 Beijing XINHUA in English
1334 GMT 7 Mar 92*

[Text] Urumqi, March 7 (XINHUA)—China's policies regarding opening to the outside world have enabled northwestern China's Xinjiang Uygur Autonomous Region to establish economic and trade ties with more than 50 countries and regions.

The local economy is prepared to take the advantage of the new Eurasian transcontinental railway that passes through the region, and government priorities for developing the region's energy sector.

At present, enterprises in Xinjiang sell over 200 types of products on overseas markets, and the region's exports increased to 350 million U.S. dollars in 1991.

At the same time, the region attracted over 350 million U.S. dollars in foreign investment for some 100 joint ventures, and a large number of technological exchange projects have been undertaken with more than 30 foreign countries.

In 1991, Xinjiang earned over 20 million U.S. dollars from the over 120,000 foreign tourists who visited the region, a dramatic increase over the 7,000 foreign tourists who visited each year before 1991. In an effort to enhance tourism, the regional government has opened 25 cities and counties, and over 100 tourist sites to foreigners.

Xinjiang has also installed worldwide direct dial telephone services in Urumqi, the regional capital. In addition, 14 domestic air routes and one international route have been opened to cater to the increasing demand for air travel.

In addition, local companies have invested in eight joint ventures in Central Asia, and over 2,000 local residents work for labor service projects in foreign countries.

Xinjiang Region Expands Desert Irrigation Work

*OW0703132792 Beijing XINHUA in English
1304 GMT 7 Mar 92*

[Text] Urumqi, March 7 (XINHUA)—Northwestern China's Xinjiang Uygur Autonomous Region has successfully expanded the area of its irrigation oasis in the desert by 3.5 times over the past 40 years.

Up to now, the total of area of the artificial irrigation oasis in the autonomous region has reached 58,700 square kilometers, compared to 13,000 square kilometers in the 1950s.

A spokesman for the regional government attributed the expansion of the oasis to the achievements Xinjiang has made in afforestation to control desertification and transform the desert into farmland.

In Xinjiang, there are 10 deserts, including the Taklimaken Desert, the second largest shifting desert in the world, covering a total area of 423,000 square kilometers and accounting for 25 percent of the total area of Xinjiang.

The spokesman said that since the 1950s, the central and regional governments have organized scientific and technological forces for studies on afforestation and desertification control.

Over the past 10 years, Xinjiang has popularized various scientific achievements in desert afforestation and irrigation. Now more than 2.66 million hectares of farmland are under the protection of green belts.

The local people also have closed over 330,000 hectares of desert to facilitate afforestation and planted 400,000 hectares of trees and 1.66 million hectares of grass in the desert.

400,000 Hectares of Trees Planted

*OW0603141292 Beijing XINHUA in English
1339 GMT 6 Mar 92*

[Text] Urumqi, March 6 (XINHUA)—Northwestern China's Xinjiang Uygur Autonomous Region has planted 400,000 hectares of trees over the past decade, rendering protection to 2.67 million hectares of farmland, which otherwise would have been destroyed by the vast deserts.

Xinjiang, which accounts for one-sixth of China's total area, also has the largest desert area in the country. Afforestation is of vital importance to the regional development.

Over the past 10 years, people of the whole region were mobilized to take part in an afforestation campaign. An average of 5.2 million people were involved in voluntary tree planting and over 500 million trees were planted. The farmland now under the protection of tree belts makes up 83 percent of the region's total.

Yang Shangkun Attends Taiwan Affairs Meeting

OW0603131792 Beijing XINHUA Domestic Service
in Chinese 0920 GMT 6 Mar 92

[Text] Beijing, 6 March (XINHUA)—The 1992 Taiwan Affairs Work Meeting ends today. The meeting was opened in Beijing on 2 March. The meeting reviewed and summed up the development of Taiwan affairs work since the national Taiwan Affairs Work Meeting held in December 1990, and studied and planned this year's work.

President Yang Shangkun and Vice Premier of the State Council Wu Xueqian attended and spoke at the meeting. Wang Zhaoguo, director of CPC's Central Office for Taiwan Affairs and director of the State Council's Office of Taiwan Affairs, presided over the meeting and delivered the work report. Responsible comrades from certain provinces, municipalities, and relevant departments of the central and state organs attended the meeting. Responsible comrades of the Association for Relations Across the Taiwan Straits also attended the meeting on invitation.

The meeting held that through the joint efforts of all the people throughout the entire nation, including the Taiwanese compatriots, in the last year relations between the two sides of the Taiwan Strait continued to maintain its trend toward development and achieved certain breakthroughs, despite some rough patches. Last year the number of Taiwanese compatriots entering the mainland to visit relatives, for holiday, and to do business totalled some 1 million; the total volume of indirect trade between the two sides reached nearly \$5.8 billion; investment by Taiwanese businessmen on the mainland increased steadily; nongovernmental exchanges in the cultural, academic, science and technology, and sports fields expanded further; contacts and consultations between the two sides on routine matters have made heartening progress; and the entire situation continues to develop along the direction conducive to peaceful reunification of the motherland.

The meeting pointed out: In line with the sincere wish to promote further development of relations across the strait, and from the point of the basic interests of the Chinese nationality, the CPC has within the last year taken a series of important measures to ease the situation between the two sides, to stimulate cross-strait exchanges, and to promote the "three links" [postal, trade, and transport links]; it has presented the three-point proposal to promote reunification of the motherland, which has won widespread support of the people on both sides of the straits. In the meantime, Taiwan authorities have also taken beneficial measures to improve bilateral contacts and mutual understanding,

have gradually relaxed certain restriction on cross-strait exchanges, and have proposed ideas such as using the mainland as the hinterland to develop Taiwan's economy, all in line with the wishes of the people on both sides of the Strait. We hope that the Taiwan authorities will stick to the principle of "one China" and adopt a positive and practical attitude to further eliminate various man-made obstacles, to promote economic and trade cooperation between the two sides, to expedite opening up for direct "three links" and bilateral exchanges, and to make a bigger stride in developing cross-strait relations and promoting reunification of the motherland.

The meeting urges all Taiwan Affairs Departments across the nation to unswervingly adhere to the basic principle of "peaceful reunification, and one country and two systems," and continue to thoroughly implement the guidelines of the national Taiwan Affairs Work Meeting to actively enhance economic links between the two sides, to positively enlarge personnel exchanges of various projects, and to practically push forward the progress of reunification of the motherland.

Business Environment for Taiwan Investors Improves

OW0803073292 Beijing XINHUA in English
0720 GMT 8 Mar 92

[Text] Beijing, March 8 (XINHUA)—Taiwan investors will find more business opportunities on China's mainland this year, with almost all major mainland local governments working out measures to forge more links with Taiwan industry owners.

The Beijing-based CHINA BUSINESS TIMES reported that officials representing more than half of the mainland provinces and cities, including Beijing, Shanghai, Guangdong and Fujian, said they would adopt new policies this year to encourage more Taiwan investment.

The new policies have three main thrusts: To open up a wider investment scope, stake out specific high-tech projects for investment and further upgrade the construction of public facilities.

Hainan Province's Governor Liu Jianfeng said that the sub-tropical island province would seek Taiwan capital to develop local agriculture. Meanwhile, the mayor of Guangzhou, Li Ziliu, said business ties with Taiwan industries would be directed toward hi-technology.

The cities of Beijing and Nanjing, and Sichuan and Liaoning Provinces have all prepared for greeting Taiwan investors, said the newspaper.

Several public facility projects are either under way or being planned in Guangdong.

Chen Lu-an: U.S. To Remain Major Arms Supplier*OW0903004692 Taipei Voice of Free China
in English 0200 GMT 8 Mar 92*

[From the "News and Commentary" program]

[Text] Defence Minister Chen Lu-an said Saturday the United States will still be the major supplier for the ROC [Republic of China] in the arms procurement from abroad, but purchasing from other West European nations, such as Holland and France, has gradually started.

Commenting on the possibility of Taiwan's buying arms from the former Soviet Union, Chen said as relations between the ROC and the Commonwealth of Independent States are still unstable, arms transactions between the two sides are not under consideration at the moment. Chen further pointed out that in seeking arms procurement, the nation has to take into account component supplies and maintenance requirements, and this will incur substantial relations between the ROC and potential arms suppliers over a period of 10 to 30 years. Therefore, arms procurement from the former Soviet Union is not possible at the current stage.

Regarding the territorial dispute in the South China Sea, the defense minister said ROC troops stationed on one of the disputed islands are ready to deal with possible military confrontations, yet any settlement of such disputes is up to the Ministry of Foreign Affairs, he added.

Taipei To Abide by Fishery Pact With U.S.*OW0703092392 Taipei CNA in English 0838 GMT
7 Mar 92*

[Text] Taipei, March 7 (CNA)—The Republic of China [ROC] will abide by its fishery agreement with the United States and strictly ban its driftnet fishing boats from catching salmon in the north Pacific Ocean, a Council of Agriculture (COA) official said Saturday.

The official was responding to a U.S. decision not to impose sanctions against Taiwan for alleged violation of cooperative scientific monitoring and enforcement agreements with the United States.

"It was a wise and a welcome decision since we have taken positive steps to enforce our fishery agreement with America and to uphold a United Nations ban on driftnetting," the official noted.

American authorities originally planned to impose sanctions on Taiwan because some local driftnet fishing boats were caught by the U.S. Coast Guard catching salmon in the high seas in 1990 and another 100 Taiwan fishing boats were caught operating in off-limit areas in the north Pacific Ocean last year.

Under a Sino-U.S. fishery agreement, Taiwan fishing boats are banned from driftnetting in the north Pacific

Ocean and from catching salmon and some other specified fish species in that region.

The ROC Government has since strictly required its deep-sea fishing boats to follow the rules and has severely punished those violating the regulations.

Taiwan has decided to completely ban driftnetting by the end of this year as the United Nations requires. The Council of Agriculture began two years ago to buy back driftnet boats which were later sunk to become artificial reefs. The remaining driftnet boats will be required to stop driftnetting in the open seas by year's end. Those failing to abide by the rule will be stripped of their operating permits and their skippers will be deprived of their licenses.

The COA has budgeted huge sums of money to help operators of driftnet fishing boats switch to other occupations.

Bad Weather Delays Food Aid to Vladivostok*OW0903003692 Taipei China Broadcasting Corporation
News Network in Mandarin 2300 GMT 6 Mar 92*

[From the "National News Hookup" program]

[Text] A Foreign Ministry official has indicated that due to weather conditions the first aid shipment of rice donated by the Republic of China [ROC] will probably not be able to reach Vladivostok until around 20 March.

(Lo Chih-yuen), director of the Department of West Asian Affairs in the Ministry of Foreign Affairs, accompanied by officials from the Council for Agricultural Planning and Development, will probably represent the ROC at the rice donation ceremony.

Here is a report by Chuang Hui-hsuan.

[Chuang] The ROC had already begun loading the 10,000 tonnes for shipment to the Russian port of Vladivostok. But because of bad weather, the loading of the rice did not proceed as planned. The estimated arrival date of 15 March will probably be delayed until sometime around 20 March. A public ceremony will mark the donations once the rice shipment arrives in Vladivostok. In addition to (Lo Chih-yuen), director of the Department of West Asian Affairs in the Ministry of Foreign Affairs, officials from the Council for Agricultural Planning and Development will also probably represent the ROC at the donation ceremony. Their Russian counterparts are expected to be present at the ceremony to accept the donation.

In another development, (Ma Ai-chen), a prominent civilian businessman, traveled recently to the Maritime Kray, Russia, to sign an agreement with Kray Governor (Churlyanskiy). The agreement was signed in the name of the ROC Trade Delegation and included visa affairs, establishment of a representative office, and other items. (Ma Ai-chen) is scheduled to accompany ROC Foreign Ministry officials on their upcoming visit to Russia and

will ask them to sign an official agreement of similar content with the other side to validate the agreement which he signed earlier and which has no legal force. When the time comes for the signing of the official agreement, the other side must upgrade the title on the agreement from Kray to state.

Russian Press Leader Visits Taipei 6 Mar

OW0703090092 Taipei CNA in English 0812 GMT 7 Mar 92

[Text] Taipei, March 7 (CNA)—Andrei G. Vinogradov, former president of the Russian Information Agency, arrived here Friday for a six-day visit at the invitation of the Government Information Office [GIO].

He was greeted at the airport by Joe Hung, president of the Central News Agency, Wang Wan-li, vice president of CNA, and GIO officials.

While here, Vinogradov will call on Chien Fu, foreign affairs minister; Hu Chih-chiang, director general of GIO, and other government officials. He will also call at the Central News Agency, the broadcasting corporation of China, the China External Trade Development Council, Tamkang University, and other organizations.

MAC Urges Beijing To Investigate Family's Death

OW0703092692 Taipei CNA in English 0845 GMT 7 Mar 92

[Text] Taipei, March 7 (CNA)—The Mainland Affairs Council (MAC) Friday demanded that Peking [Beijing] authorities quickly investigate the real causes for the mysterious deaths of a Taiwan businessman and his family in Hainan Province, southern China.

The MAC warned that relations between the two sides of the Taiwan Straits could be affected if Peking does not respond to the call quickly.

Lin Chih-hsien, a Taiwan businessman investing in the mainland, his wife and son were all reported dead in their house in Hainan Feb. 22.

MAC Chairman Huang Kun-hui said that if the Lins had been murdered, Communist China should punish the culprits.

During an interpellation at the Legislative Yuan, Huang issued a five-point statement on the government's position toward the incident.

The government will actively protect the lives and property of Taiwan residents, Huang said.

The government "strongly demands" that Peking get to the bottom of the mysterious deaths and severely punish the murderers, if there are any, Huang continued.

The MAC will send Straits Exchange Foundation (SEF) officials and lawyers to the mainland to look into the whole case, the MAC chief said.

If Peking does not quickly respond to Taipei's demand, cross-straits relations and friendship between the people on both sides of the Straits could be affected, he warned.

Huang finally called on Peking to work on strengthening social order and to protect the lives and property of Taiwan residents; he also called on local people to take care while traveling or working on the mainland.

MAC data show that more than 50 cases of Peking's detentions of Taiwan residents had been reported. Huang said the MAC will publish pamphlets urging the people to beware.

The Ministry of Economic Affairs suggested that Taiwan businessmen working on the mainland form their own neighborhoods in order to ensure safety for themselves and their dependents.

The ministry called on the business community to take into consideration the mainland's social environment before deciding to invest there.

Coast Cordoned Off if Cross-Straits Bill Passes

OW0703135292 Taipei Voice of Free China in English 0200 GMT 6 Mar 92

[From the "News and Commentary" program]

[Text] Vice Minister of Defense (Teng Chifa) said on Thursday morning at the Legislative Yuan that once bills on regulations between the two sides of the Taiwan Strait are passed, the Defense Ministry will cordon a 12-nautical-mile area along the coast of Taiwan and prohibit Mainland Chinese vessels from entering the area. If mainland vessels enter the area without permissions, they will be sent away and their licenses will be photographed in evidence to the vessels' trespassing.

Li Reiterates Decision Not To Run for Reelection

OW0903002992 Taipei Voice of Free China in English 0200 GMT 7 Mar 92

[From the "News and Commentary" program]

[Text] A well-placed source indicated on Friday that President Li Teng-hui had restated that he is not running for reelection. Li made the statement in consulting with local political heavyweights about how the president should be elected. Li said he is not seeking a second term, no matter what approach is adopted.

Foreign government officials noted that President Li is determined to establish his stable political system in the ROC [Republic of China]. Sources indicated that President Li had listened to various opinions on constitutional reform and had said that a consensus must be reached before reforms go ahead.

Neutral on Constitutional Reform

*OW0703085392 Taipei CNA in English 0801 GMT
7 Mar 92*

[Text] Taipei, March 7 (CNA)—A highly placed government official stressed Friday that President Li Teng-hui has always remained "supra-partisan and neutral" regarding how to amend the nation's constitution.

The official, asking that he not be named, said the president has not changed his position of making major decisions according to public will.

The official added that Li, concurrently Kuomintang [KMT] chairman, will hear a report by the KMT's Constitutional Amendment Task Force Saturday.

The task force was finalizing its proposals for amending the constitution as media focus turned to what the KMT will do about a constitutional article governing presidential elections.

As calls for direct popular election of the president grew, KMT Spokesman Chu Chi-ying said the party has not decided on the issue.

Replying to media queries, Chu said that task force members and Central Standing Committee members exchanged views in the morning over the advantages and disadvantages of direct popular vote for president, but no conclusion was reached.

The spokesman added that the KMT's final decision will not contradict the task force's proposal.

KMT Discusses Presidential Election Method

*OW0903083592 Taipei CNA in English 0751 GMT
9 Mar 92*

[Text] Taipei, March 9 (CNA)—The Kuomintang [KMT] Central Standing Committee (CSC) held a special session Monday morning to discuss how to amend the constitutional article governing the election of the nation's president.

The discussions centered on whether to adopt a direct popular election system or a "direct election through delegates" system.

The CSC session was called after the KMT task force on constitutional amendment held a marathon debate Sunday on the subject without reaching a conclusion.

KMT spokesman Chu Chi-ying said that the task force decided to present both proposals for further debate because the method of electing the president "has a great bearing on the nation's future development" and because the KMT "must respect public opinion."

Moreover, only nine CSC members joined Sunday's debate, and they agreed that all of the 31 CSC members should join in the discussion, Chu said.

Two of the 31 are currently out of the country.

Hong Kong

Hong Kong Figures To Form PRC Advisers Panel

HK0803014592 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 8 Mar 92 pp 1, 4

[By staff reporters]

[Text] On Tuesday morning in the incongruous surroundings of Maxim's at Kai Tak airport, 44 Hong Kong businessmen, academics and political figures will rendezvous for a journey to Beijing and a remarkable induction ceremony as China's first panel of advisers.

According to a confidential list being circulated by the New China News Agency (NCNA) [XINHUA] and seen by the SUNDAY MORNING POST, little known figures will rub shoulders with tycoons Mr Li Kai-shing and Sir Run Run Shaw, behind-the-scenes politician Mr Lo Tak-shing and former Basic Law drafters like Mr Ann Tse-kai and Miss Maria Tam Wai-chu.

But the list of 44, all but four of whom are revealed today, includes some surprising omissions. Former secretary for home affairs, the flamboyant Mr Peter Tsao Kwang-yung, long tipped to provide the colour and flair among a grey and conservative team, is not included, leaving retired secretary for district administration and one-time Joint Liaison Group member Mr Donald Liao Poon-huai as the only Hong Kong Government figure on the team.

Perhaps even more surprising, Wharf Holdings Taipan Mr Peter Woo Kwong-ching is said to have decided to step aside in favour of his lower-profile brother-in-law, Mr Edgar Cheng Wai-kin, chairman of Worldwide Investments.

Housing Authority chairman Sir David Akers-Jones and Chinese People's Political Consultative Conference member Mr Peter Yuen Pak-yiu, included on an original 60-odd member draft list provided to Beijing by the NCNA, were also left out.

Other absentees are understood to include a number of prominent figures who preferred not to be seen joining so obviously pro-Chinese a body.

As predicted, there are no United Democrats or other liberal members of the Legislative Council on the list. By contrast, two of the top members of the business-orientated Liberal Democratic Federation, Chairman Mr Hu Fa-kuang and former vice-chairman Miss Tam have both been appointed.

But leading members of the conservative Co-operative Resources Centre, including convener Mr Allen Lee Peng-fei and widely tipped Mr Stephen Cheong Kam-chuen, are notable for their absence.

The names were drawn up from a selection provided by the NCNA and the Hong Kong and Macao Affairs Office. They used a base of businessmen, academics, retired

Government figures, Basic Law Drafting and Consultative Committee members, delegates to the Airport Consultative Committee and members of Chinese political bodies such as the Chinese People's Political Consultative Conference and the National People's Congress.

All will troop through the VIP check-in at the airport before retiring to Maxim's to rest and wait for the call to board CAAC [General Administration of Civil Aviation of China] flight CA 102 bound for the bracing spring air of Beijing.

There is to be no special treatment for the great and good. Sir Sze-yuen Chung and Sir Run Run will pass through the same lounge as failed Legislative Council candidate Mr Cheng Kai-nam. Said one source asked if Mr Li would be in there too: "If he goes, he will definitely be there. There will be no distinctions. Everyone will have the same treatment."

Chinese Premier Mr Li Peng will officiate at the swearing in on Wednesday.

No one could be certain where the ceremony would be held last night, but sources suggested it could be at the special compound reserved for Chinese leaders, Zhongnanhai.

Meanwhile, speaking in Guangzhou yesterday, deputy director of the Hong Kong and Macao Affairs Office Mr Chen Ziyang tried to reassure the territory the appointment of the advisers would be beneficial to the smooth transition of sovereignty.

He stressed no formal organisation would be established and the advisers would act purely in a personal capacity.

Mr T.S. Lo, who is seen by some as the potential leader of the group, has made it clear the appointment of United Democrats to the advisory panel would not have been welcomed in China.

The Chinese Government, he said in a signed article in the SUNDAY MORNING POST last week was looking for advice to keep Hong Kong stable and prosperous.

It would, he argued, feel "somewhat foolish" seeking advice from people whose colleagues "have not recanted from having called upon foreign governments to lay an embargo on China trade for political ends".

THE LIST

Mr Philip Wong Yu-hong, Legislative Councillor and former deputy chairman of the stock exchange;
Mr Tso Wung-wai senior lecturer at the department of Biochemistry, the Chinese University of Hong Kong;
Mr Gordon Wu Ying-sheung, managing director of Hopewell Holdings;
Mr Cha Chi-min, Basic Law drafter and head of China Dyeing;
Mr David Li Kwok-po, Legislative Councillor and chief executive of Bank of East Asia;
Mr Robert Ng Chee-siong, chairman of Sino Land;

Professor Mun Kin-chok, Dean of Business Administration, the Chinese University of Hong Kong;
 Mr Shao You-bao, chairman of the Bank of Tokyo;
 Mr David Chu Yau-lun, director of the Aircraft Technology;
 Mr Ng Hong-man, principal of Pui Kiu Middle School;
 Mr Tang Hsiang-chien, managing director of Soco Textiles (HK) and council member of the Chinese University of Hong Kong;
 Mr Albert Tong Yat-chu, executive director of the Construction Industry Training Association;
 Mr Raymond Wu Wai-yung, former member of the Basic Law Consultative Committee;
 Mr Leung Chun-ying, Basic Law drafter and Jones Lang Wootton director;
 Mr Kan Fook-ye, director of Knight Frank Kan and Ballieu;
 Mr Lo Tak-shing, former Executive Councillor;
 Mr Cheng Kai-nam, chairman of teaching union and failed Legislative Council candidate;
 Mr Ann Tse-ka, Basic Law drafter and head of One Country Two Systems Economic Research Institute;
 Mr Vincent Lo Hong-sui, head of Shui On;
 Mr Henry Litton, Queen's Counsel;
 Mr Simon Li Fook-sean, Basic Law drafter;
 Mr Xu Ximin, publisher of MIRROR [CHING PAO] magazine and delegate to Chinese People's Consultative Political Conference;
 Mr Wong Po-yan is a member of the Provisional Airport Authority;
 Mr Donald Liao Poon-huai, former top Hong Kong Government official and former member of the Joint Liaison Group;
 Ms Dorothy Liu Yiu-chu, delegate to National People's Congress;
 Mr Lau Wong-fat is head of the Heung Yee Kuk and a Legislative Councillor;
 Reverend Kok Kwong, president of Hong Kong Buddhist Association;
 Mr Hu Fa-kuang, chairman of the Liberal Democratic Federation and a former Legislative Councillor;
 Sir Run Run Shaw, film magnate;
 Mr Li Ka-shing, Hong Kong's richest man and head of Cheung Kong;
 Mr Tsang Hin-chi, Goldlion managing director;
 Mr Edgar Cheng Wai-kin, Sir Yue-kong Pao's son-in-law and director of One Country Two Systems Economic Research Institute;
 Mr Tung Chee-wah, director of Orient Overseas Container Line;
 Mr Henry Fok Ying-tung, tycoon and former member of Basic Law Drafting Committee;
 Sir Sze-yuen Chung, chairman of the University of Science and Technology;
 Ms Maria Tam Wai-chu, former Executive and Legislative Councillor;
 Mrs Alice Cheng (vice chairman of the Chinese General Chamber of Commerce);
 Mr Tsui Tsin-tong, head of China Paint;
 Mr Cheng Yiu-tong, chairman of the Federation of Trade Unions;

Mr Zee Sze-yung, professor of Botany at the Hong Kong University of Hong Kong.

Lu Ping: Hong Kong Party Politics 'Inevitable'

*HK0903084692 Hong Kong HSIN PAO in Chinese
9 Mar 92 p 1*

[Report: "Lu Ping Says Party Politics Inevitable in Hong Kong Due to Direct Elections"]

[Text] Lu Ping, director of the State Council's Office on Hong Kong and Macao Affairs, indicated in Guangzhou that party politics would be inevitable in Hong Kong because of direct elections. When asked about the establishment of a political party by pro-China personalities, he noted that this was the Hong Kong people's affair. Lu Ping said, "If they organize a party, it is not intended to promote socialism in Hong Kong. If they do so, then we will oppose it firmly because that is not our policy. The Communist Party wants Hong Kong to implement capitalism and not change for 50 years after 1997." [sentence as published]

Lu Asks Why UK Firm Chosen To Build Airport

*HK0703055892 Hong Kong SOUTH CHINA
MORNING POST in English 7 Mar 92 pp 1, 2*

[By Kent Chen in Guangzhou and staff reporters]

[Text] China yesterday told the Hong Kong Government to justify its selection of a British consortium with the highest price among the three final tenders to design the new airport's passenger terminal complex.

The director of the Hong Kong and Macao Affairs Office, Mr Lu Ping, said that both the public and the Airport Consultative Committee were entitled to an explanation.

It was the second time this week he had questioned Hong Kong decisions, highlighting differences between China and Britain over the administration of the territory ahead of the next meeting of the Joint Liaison Group (JLG) here on March 24.

On Thursday, Mr Lu criticised the Budget, saying that its strategy did not conform to the Basic Law.

Yesterday's target was the announcement that the bid by the heavily British-orientated Mott Connell consortium had won the contract to design the \$7 billion terminal building at Chek Lap Kok.

"I don't know how they make the selection," he said in Guangzhou.

"I hope the Hong Kong Government can give an explanation to Hong Kong people. Transparency should be increased.

"The reason for choosing the tender asking the highest price should be explained and clarified.

"Isn't there an Airport Consultative Committee? The Hong Kong Government should also explain to the committee," he said.

Asked if China had been informed of the decision, Mr Lu said: "No."

He also urged the Hong Kong Government to provide copies of the airport's master plan to the members of the Airport Consultative Committee, the group set up at Beijing's insistence as part of the Sino-British Memorandum of Understanding on the airport.

"Photocopying the document costs some money. But the money is worth spending.

"I am afraid that it would not be very appropriate for them to read the document in the library."

The Government yesterday defended the choice of the Mott Connell consortium, insisting that its tender was not the highest overall.

A spokesman for the New Airport Projects Co-ordination Office (NAPCO) told the South China Morning Post that the most expensive bid quoted a price more than twice Mott Connell's.

He also rejected the need to inform China of the selection.

"No formal notification to the Chinese side was necessary under the Memorandum of Understanding, because the contract runs for only two years and does not therefore straddle 1997.

"According to the Provisional Airport Authority, Mott Connell Consortium, which has been awarded the airport terminal design contract on a \$536 million fixed price basis, was not the highest tender submitted for the work.

"Of eight shortlisted consortiums (which were selected from 30 groups expressing interest), four were higher and three were lower. The highest price was more than twice that of the Mott consortium."

However, Mott was the most expensive of the three final tenders.

The spokesman said the decision to appoint Mott had been widely explained to Hong Kong people through the media and the decision was announced at a meeting of the Airport Consultative Committee on Monday.

"These explanations were widely disseminated. They included reasons for awarding the contract on grounds of technical and design capability, cost, architectural vision, and proven track record."

The spokesman also said the Airport Consultative Committee was given the executive summary of the master plan, but was not given the full three-part voluminous documents because of their size.

However, eight sets of these full volumes were available for public inspection at the NAPCO library in Central, the spokesman said.

Two members of the Airport Consultative Committee joined Mr Lu in urging a full explanation from the Provisional Airport Authority (PAA) on the selection of Mott Connell.

Dr Wang Liang-huew asked why Greiner Maunsell, the consultant which wrote the New Airport Master Plan, was not awarded the terminal design contract.

"If the choice is based on past performance of bidders, does the choice mean that Greiner Maunsell is not good enough? If this is the case, then the credibility of the Master Plan is in doubt," Dr Wang said.

Dr Wang said although the PAA was given the power to award contracts, he hoped it would not abuse the power. He wanted to know the criteria the PAA used to arrive at the decision.

Another committee member, Dr Victor Sit Fung-shuen, wondered how the PAA could award the contract when the overall estimates of the airport were not finalised.

"It makes it impossible for us to monitor the cost of the projects as the PAA could deny any cost escalation as no estimate has been provided for the finalised master plan," Dr Sit said.

Lu Ping Sees Budget 'Deviating' From Basic Law

HK0603021692 Hong Kong SOUTH CHINA
MORNING POST in English 6 Mar 92 p 1

[By Kent Chen in Guangzhou]

[Text] China yesterday criticised the newly-unveiled Budget, accusing the Hong Kong Government of deviating from financial principles of post-1997 Hong Kong enshrined in the Basic Law.

Mr Lu Ping, Director of the Hong Kong and Macao Affairs Office under the State Council, also spoke out against the package of tax increases proposed by the Financial Secretary, Mr Hamish Macleod.

The tax measures in Mr Macleod's first Budget will yield about \$2.9 billion for 1992-93, and about \$3.8 billion in a full year.

The Basic Law adopted the principle of keeping expenditure within the limits of revenue, based on the Hong Kong Government's own decade-old financial tradition, Mr Lu said in Guangzhou.

According to the Basic Law, the Hong Kong Special Administrative Region [SAR] will also strive to achieve a fiscal balance, avoiding deficits.

Mr Lu said that during the Sino-British negotiation on the new airport, China stressed that the construction of

the new airport should not increase the burden of Hong Kong people and should not be a cause of inflation.

"This is our long-standing position, and we still hold the same position now," he said.

"Therefore, I still believe we should adhere to the previous fiscal policy of the Hong Kong Government and keep expenditure within the limits of revenues and do according to the amount of money you have."

He said Mr Macleod was now proposing something like raising revenue to meet the amount of expenditure.

"This means that you first figure how much to spend, then you go out to find the money to foot the bill," Mr Lu said.

"Therefore, we believe that this is not in accordance with the stipulation of the Basic Law. It does not conform to the Basic Law," he said.

"With more spending, there must be more revenue. How can this be achieved? The answer is raising taxes. Tax increases will lead to a heavier burden on the general public," he added.

Mr Macleod was pressed to comment on Mr Lu's allegation during his post-Budget press conference yesterday.

"To disappoint you—no comment," he said after the first question.

When asked a second time, Mr Macleod said: "It's a good try! Our philosophy and our strategy is well set out in the Budget speech, and I think actually extremely clearly set out, and I wouldn't wish to comment on any other version."

The Governor Lord Wilson defended the Budget.

"It follows very much the philosophy Hong Kong always follows, which is to have a low tax policy, that's something very important, an enterprise society so that we build up on our own very limited resources...so that there is a reward for those people who work hard and do well," he said.

"I think it is a well thought out, careful budget, and it's the right sort of budget for Hong Kong's present needs."

Executive Councillor Mrs Rita Fan Hsu Lai-tai of the Co-operative Resources Centre said she did not find the Budget going against traditional policy.

"Budget is Hong Kong's internal business. But freedom of speech is much supported in Hong Kong. If Mr Lu wants to comment on the Budget, he has the freedom to do so," she said.

"We will share comment which is reasonable. For unreasonable comments we just ignore it."

Asked if he was optimistic that the projection of reserves of \$71.6 billion [Hong Kong dollars] at the end of March 1997 could be reached, Mr Macleod reiterated that his

strategy of producing another surplus was to ensure a sufficient cushion to deal with unforeseen developments and to leave at least \$25 billion for the handover.

"There is no hidden agenda," he said.

"We can't start counting the Land Fund until after 1997," Mr Macleod said, referring to projections that the SAR's share of land deals would accumulate to about \$70 billion by 1997.

"Certainly, we have it very much in mind that it will help to get the SAR off to a good start.

"But if it is not available to us—let's say there is a serious economic downturn in 1995—and if we had succumbed to the temptation to spend our reserves on any number of possible concessions, we would then be faced with an extremely difficult position."

Later he said: "Bearing in mind that we do not have the option, even if we wanted it, of cushions by huge amounts of borrowing, that's not our style, it's not appropriate."

Noting that Hong Kong traditionally did not have a deficit budget, Mr Macleod said: "If you don't want me to have a deficit budget, then we'll have to have more taxation—which I am not proposing."

UK Set To Review Hong Kong Budget With PRC

HK0703042892 Hong Kong SOUTH CHINA
MORNING POST in English 7 Mar 92 pp 1, 2

[By staff reporters]

[Text] Britain is prepared to discuss the Hong Kong Government's Budget with China, Lord Caithness said yesterday.

Asked if the Chinese side could raise the matter within the Joint Liaison Group [JLG], the British Foreign Minister with special responsibility for Hong Kong said: "If they have anything serious to say, we're quite prepared to discuss it."

He said the JLG should discuss matters transcending 1997 or "issues concerning alterations to the way the Hong Kong Government works as from the time the Joint Declaration was signed".

Lord Caithness said the dispute over the Government's plans to corporatise Radio Television Hong Kong (RTHK) would be on the agenda.

Chinese officials have openly objected, saying RTHK's structure should remain unchanged to be used as the mouthpiece of the future Special Administrative Region [SAR] government.

On Thursday Mr Lu Ping, Director of the Hong Kong and Macao affairs Office, criticised this year's Budget for deviating from the financial principles in Hong Kong's post 1997 mini-constitution—the Basic Law.

Mr Lu said the Basic Law adopted the principle of keeping expenditures within the limits of revenue, but Financial Secretary Mr Hamish Macleod was proposing raising revenue to meet expenditures.

Asked whether Mr Lu was interfering in Hong Kong affairs, Senior Executive Councillor, Lady Dunn, said: "I think people should be free to comment."

But she defended the Budget, saying it would give Hong Kong people confidence as shown by the economic success and large surplus amid global recession.

"I can't see the Budget is incompatible with the Basic Law."

The objective of the Basic Law and the way Hong Kong was running was the same, which was to preserve the economic success and to give investors the confidence to invest in Hong Kong, Lady Dunn said.

Lord Caithness said the Budget "is a matter for the Hong Kong Government to decide".

But he conceded if the Chinese had "a serious point to make" on the Budget, the British Hong Kong Government would discuss it.

When asked whether he saw Mr Lu's remarks as a political move by China or believed that Beijing was actually concerned about the Government living within its means, Mr Macleod said: "I am frankly puzzled by the comment which I've read."

He said the Budget did follow the long-standing principles of Hong Kong budgets that the territory must live within its means.

"On the reference to the Basic Law, I can't actually...I don't find anything in the Budget which would offend against the Basic Law if it was in operation and of course it isn't until 1997."

Asked whether the remarks were a warning to him or the Government about future budgets, Mr Macleod said: "I certainly don't want to try and read what's in their mind, or try gazing into the crystal ball about what they may say about future budgets."

"Clearly this budget did achieve one thing that the Government was committed to do and that was to have the \$25 billion to hand over to the future Special Administrative Region government in 1997," he added.

"The extra amount over the \$25 billion is not primarily to help the SAR Government. It is a planning figure to give us cushion," he said.

Last night diplomatic sources predicted the dispute over the budget would not be discussed at JLG meetings.

"I don't think something like that could be a topic of discussion," one source said.

"We'll always avoid megaphone diplomacy. But I wouldn't expect China to raise it."

The deputy director of the State Council's Hong Kong and Macao Affairs Office, Mr Chen Ziyang, confirmed the Chinese team in the JLG would be raising the RTHK plan.

"I think things should be handled in accordance with the spirit of the Joint Declaration," he said.

"We also have to consider the question of convergence with the stipulations in the Basic Law."

"Before the JLG carries out discussion, deliberates and makes a decision, it is not appropriate for me to comment on this issue."

"But I hope this issue can be resolved in line with the long-term interest of Hong Kong," he said.

Once Imprisoned Lawyer Returns to Hong Kong

HK0903025292 Hong Kong TA KUNG PAO
in Chinese 9 Mar 92 p 12

[Text] Huang Hsien, a lawyer from Hong Kong who was sentenced in Beijing, has recently returned to Hong Kong.

In 1979, Huang Hsien, who formerly was a lawyer in Hong Kong, went to teach in the Beijing Foreign Trade College and Beijing University and concurrently serve as a legal adviser to several institutions. In 1983, he was sentenced by the Beijing Intermediate People's Court on espionage charges, though later on the charges and the term of imprisonment were altered. Before returning to Hong Kong, Huang Hsien continued to offer legal consultancy on investment plans to many localities on the mainland over the past few years.

Macao

Basic Law Drafting Committee Opens 8th Session

To Select Flags, Emblems

OW0503134892 Beijing XINHUA in English
1224 GMT 05 Mar 92

[Text] Guangzhou, March 5 (XINHUA)—The Committee for Drafting the Basic Law on the Future Macao Special Administrative Region (MSAR) opened its eighth session here today.

The meeting will deliberate the working reports submitted by the five special groups of the committee, an explanation on the draft of the basic law for discussion by Secretary-General of the Committee Lu Ping, and a working report given by the selection committee for the flag and emblem of the future MSAR.

The committee will also hear a report on soliciting opinions in Macao by the consultative committee for the basic law of the projected MSAR.

The session will also discuss and approve by vote the draft law of the MSAR, and select from the three sets of flags and emblems of the future MSAR recommended by the selection committee. The draft and selections will be submitted to the Standing Committee of the National People's Congress for discussion and promulgation, and opinions will be once again solicited in Macao and the mainland.

Addressing the session, the MSAR committee Chairman Ji Pengfei said that people from all walks of life and relevant departments in Macao and the mainland generally gave the draft law a positive assessment. Opinions were solicited on the draft in Macao and the mainland during the past four months, he said.

Ji said the draft was considered in accordance with the principle of "one country, two systems", embodying the basic policy of the country towards Macao, and reflecting the actual situation in Macao.

At the same time, he said, some suggestions for revisions on the draft law have also been put forward in the past four months.

Ji thanked people from all walks of life in Macao and the mainland for their support for the committee in the past three years. He also expressed the hope that personalities of various circles will continue their support as the law enters the last stages of drafting.

Approves MSAR Draft Basic Law

OW0803094192 Beijing XINHUA in English
0921 GMT 8 Mar 92

[Text] Guangzhou, March 8 (XINHUA)—The Drafting Committee of the Basic Law of the future Macao Special Administrative Region of China (MSAR) today voted to approve the draft basic law of the MSAR at its Eighth Plenary Session here.

The Basic Draft Law includes a preamble, nine chapters, 144 articles and three supplementary provisions.

The session decided to submit the draft to the forthcoming meeting of the Standing Committee of the National People's Congress (China's top legislature) for deliberation before having it made public to solicit opinions once again in Macao and on the mainland.

Fortyfive members of the MSAR Basic Law Drafting Committee took part in the voting process.

The present draft is revised on the basis of an earlier draft which was made public last July. The Drafting Committee collected 362 letters, containing more than 1,000 suggestions and opinions for revision, from all walks of life in Macao and Chinese mainland from mid-July to mid-November last year.

According to the joint declaration signed by the Chinese and Portuguese Governments in 1987, China will resume the exercise of sovereignty over Macao from December 20, 1999.

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